

INTRODUCTION

TABLE OF CONTENTS

	<i>Page</i>
LETTER FROM CHAIR, BOARD OF SUPERVISORS	2
COUNTY VISION, MISSION AND VALUES.....	3
GFOA DISTINGUISHED BUDGET PRESENTATION ACKNOWLEDGMENTS	4
GFOA DISTINGUISHED BUDGET PRESENTATION AWARD	5
SUMMARY OF 2008-09 ADOPTED FINAL BUDGET	6
BUDGET DOCUMENT CONTENT	6
SUMMARY OF THE ADOPTED FINAL BUDGET	7
FIVE-YEAR CAPITAL IMPROVEMENT PLAN	15
STRATEGIC PLAN.....	18
COUNTY EXECUTIVE’S RECOMMENDED FISCAL YEAR 2008-09 FINAL BUDGET LETTERS.....	22

LETTER FROM CHAIR, BOARD OF SUPERVISORS

**CHAIRMAN
BOARD OF SUPERVISORS
COUNTY OF SACRAMENTO**
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**JIMMIE R. YEE
SUPERVISOR
SECOND DISTRICT**

**ART GEE
Chief of Staff**

December 23, 2008

TO THE PEOPLE OF SACRAMENTO COUNTY:

The Sacramento County Board of Supervisors is proud to present to you the County's 2008-09 Adopted Final Budget. The County Budget is the financial and operating plan for the provision of services to you by the County and by the special districts governed by the Board of Supervisors. The Budget also includes a Five-Year Capital Improvement Plan which will guide the timely development of County facilities and infrastructure.

The County Budget was developed through an open and public process which assures that community members have an opportunity to be heard and participate. The Board heard a budget forecast, adopted resource allocation obligations and priorities, and made early, tentative resource allocations in January. Budget hearings were held in June, September and were concluded in November once the extended State budget process was concluded.

The Board of Supervisors adopted a balanced budget designed to continue delivering quality services to residents and businesses of the County even with the current economic downturn. Initially when the budgets were submitted there was a funding gap. The Board chose to mitigate this shortfall by using every revenue and reserves in order to support their budget priorities. However, after using these resources and refining revenue estimates a shortfall still remained. The departments were then asked to make reductions, the majority of which were in health and human service programs that also reflects cutbacks in State funding.

Should you desire further information regarding the Fiscal Year 2008-09 County Budget or the county's budget process, please contact your County Supervisor (874-5411) or the Office of the County Executive (874-5833).

Sincerely,

A handwritten signature in black ink that reads "Jimmie R. Yee". The signature is written in a cursive, flowing style.

JIMMIE R. YEE, Chair
Board of Supervisors, District 2

COUNTY VISION, MISSION AND VALUES

VISION

A vision is a compelling conceptual image of the desired future.

This statement describes “what we want to be” in the twenty-first century.

Our Vision is for Sacramento County to be:

- The most livable community with the highest quality public service

MISSION

Our mission statement defines why our organization exists.

It describes what we want to do for the community.

Our Mission for Sacramento County is to:

- Improve quality of life in the community
- Promote individual responsibility and achievement
- Protect one another and the environment we share
- Provide innovative and cooperative quality customer service
- Recognize and seize opportunities for improvement
- Stimulate economic growth and regional cooperation

VALUES

These values are the basic principles and beliefs for the County of Sacramento.

They govern the way we make and carry out our decisions.

Our Values for Sacramento County are:

- Trust
- Dignity and respect for the individual
- Customer service
- Partnership
- Empowerment
- Continuous improvement
- Personal and professional growth
- Respect for cultural and ethnic diversity

GFOA DISTINGUISHED BUDGET PRESENTATION ACKNOWLEDGEMENTS

DISTINGUISHED BUDGET PRESENTATION AWARD
FOR THE
COUNTY OF SACRAMENTO

FOR FISCAL YEAR 2007-08

ACKNOWLEDGEMENTS

PREPARED BY THE
COUNTY OF SACRAMENTO
OFFICE OF BUDGET AND DEBT MANAGEMENT

Navdeep S. Gill, Chief Operations Officer
Mark Norris, Internal Services Agency Administrator
Linda Foster-Hall, County Budget Officer
Kim Smith, Senior Administrative Analyst
Xue Xiong, Associate Administrative Analyst
Wei Zheng, Accounting Technician-Confidential
Debbie Fritts, Office Specialist 2 - Confidential

Special Recognition for Support Services

Danny Ernst, Printing Services Supervisor
Shaun Bennett, Senior Printing Services Operator
Paul Alvies, Printing Services Operator 2
Pamela Bambula, Printing Services Operator 2
Rosemary Cluff, Printing Services Operator 2
Annette Romero, Printing Services Operator 2
Irene Hoyle, Printing Services Operator 1
Planning and Community Development Cartography Staff
Rami Zakaria, Information Technology Manager
SacWeb Staff – Office of Communications and Information Technology

GFOA DISTINGUISHED BUDGET PRESENTATION AWARD



The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the **County of Sacramento, California** for its annual budget for the fiscal year beginning July 1, 2007. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

SUMMARY OF 2008-09 ADOPTED BUDGET

The Introduction is a brief summary of Sacramento County's Annual Budget as adopted by the Board of Supervisors after legally required public hearings held in September 2008 which were continue to November 2008 after the State of California budget was adopted. The Introduction provides the reader with a guide to the contents of the larger document by summarizing information in the following sections:

- I. Budget Document Content
- II. Summary of the Adopted Final Budget
 - The General Fund, Programs, Financing, and Fund Balance Changes
 - Other Funds Subject to Appropriation (Other Governmental Funds)
- III. Five-Year Capital Improvement Plan
- IV. Strategic Plan
- V. County Executive's Recommended Fiscal Year 2008-09 Final Budget

I. Budget Document Content

The County's annual budget document includes fiscal and operational information on county operations and those special districts and enterprises governed by the Board of Supervisors. It consists of several general sections including:

- The Introduction summarizes the Adopted Final Budget and presents the County Executive's Recommended Final Budget. The Recommended Proposed Budget report and the Midyear Budget Update may be viewed or downloaded at the following county Web site:
<http://www.budget.saccounty.net/index.htm>
- General budget information including a summary of the budget policies/process; the basis of budgeting; information about the County, major funds, major revenue trends, a summary of authorized staffing levels, and summaries of appropriations and financing. (See section "A-General Budget Information" pages A-1 through A-88.)
- State-determined Program Areas and Revenue Summary Schedules (tables) listing the financing and requirements for county funds, and appropriations in governmental funds. (See section "B-Summary Schedules" pages B-3 through B-47.)
- Summary of Positions giving the authorized staffing levels by budget unit. (See section "C-Summary of Positions" pages C-1 through C-63.)
- Detailed information (the budget messages) on the various budget units making up the overall county budget. This information is organized into the following five sections that reflect the organizational structure of the County (see page A-3 for Organizational Chart).
 - Elected Officials (Pages D-1 through D-52)
 - General Government/Administration (Pages E-1 through E-180)
 - Internal Services Agency (Pages F-1 through F-120)
 - Countywide Services Agency (Pages G-1 through G-238)
 - Municipal Services Agency (Pages H-1 through H-326)
- The Five-Year Capital Improvement Plan (CIP) is also included as part of the budget document (see Volume III). Annually, the Board of Supervisors holds a separate hearing on the Five-Year Capital Improvement Plan during the annual budget hearings.

II. Summary of the Adopted Final Budget

Final Budget Hearings were held in September 2008 and concluded in November 2008 after the State of California concluded their budget deliberations. As part of these hearings the Board of Supervisors approved the County Executive's Recommended Final Budget (see Page 22) totaling \$5.26 billion which includes the impacts from the State spending plan and is reflected in the table below. The current adopted budget reflects growth of approximately 3.5 percent (\$0.180 billion) from the Fiscal Year 2007-08 Final Budget of \$5.08 billion. The largest increase in the budget is for the Airport because of the terminal construction project at the International Airport.

Total County Budget by Fund

Funds	Appropriations	Financing	Net Cost ¹	Positions
General Fund	\$ 2,188,506,172	\$ 1,573,514,920	\$ 614,991,252	10,460.0
County Library	26,975,960	26,975,960	0	0.0
Economic Development & Intergovernmental Affairs	47,928,599	47,928,599	0	23.8
Environmental Management	22,026,879	22,026,879	0	137.8
Golf Fund	8,922,536	8,922,536	0	9.0
Transient-Occupancy Tax	10,410,186	10,410,186	0	0.0
Transportation	197,992,510	197,992,510	0	0.0
Water Resources	302,830,967	173,116,938	129,714,029	271.0
Airport System	1,166,790,709	166,793,601	999,997,108	414.0
Waste Management and Recycling	97,942,691	97,942,691	0	289.0
Other Operating Funds	249,844,074	249,844,074	0	141.2
Other Enterprise Funds	10,799,395	3,968,206	6,831,189	10.0
Other Internal Service Funds	534,384,222	510,177,303	24,206,919	1,703.1
Other Public Service Enterprise Funds	77,978,448	77,978,448	0	758.0
Other Special Revenue Funds	318,143,920	318,143,920	0	115.5
Total	\$ 5,261,477,268	\$ 3,485,736,771	\$ 1,775,740,497	14,332.4

¹ Net Cost for the General Fund is financed with General Purpose Financing Revenues. Net Cost for other funds are financed with Retained Earnings.

The General Fund, Programs, Financing, and Fund Balance Changes

The overall authorized spending for departmental programs and the contingency is approximately \$2.189 billion. As reflected in the table above the General Fund is the largest county fund and is supported in large part by the departmental revenues totaling \$1.574 billion. The General Fund also supports the majority of county services and roughly two-thirds of county employees providing both countywide and municipal services. As a California county, Sacramento County provides countywide human services, and law and justice services. The human services include human assistance aid, foster care, public health, mental health, and protective services. The countywide law and justice services include prosecution, adult and juvenile detention (jails), coroner services, and legal defense.

Sacramento County is atypical in California in that there is a large, populous, urban Unincorporated Area. The residents of the Unincorporated Area receive municipal services from the County and many special districts. Sacramento County provides local police protection from the Sheriff Department and many public works services from the Municipal Services Agency. The County is also responsible for land use regulation and planning services for the Unincorporated Area. Sheriffs and planning services are included in the General Fund.

Unlike recent years there was little growth in the General Fund revenue base, predominately the result of the economic downturn. As a result there were more requests for funds than local resources which created a funding gap in a number of departments totaling \$123.67 million.

The Board chose to mitigate this shortfall by using every revenue and reserve in order to support the Board of Supervisor's budget priorities. However, after using these funding sources and refining revenue estimates the departments were asked to take \$67.9 million in reductions in June 2008, the majority of which were in health and human service programs. Additionally the State further reduced funding for health and human services programs performed by the County, necessitating additional reductions of \$14.9 million in November 2008.

The following tables summarize the net cost of the General Fund programs that are financed from local resources after all the reductions were adopted. It compares the Fiscal Year 2008-09 Adopted Final Budget for the General Fund by Agency to the Fiscal Year 2007-08 Final Adopted Budget: (Please see Table on following page.)

**General Fund Net Cost for Fiscal Year 2008-09 Adopted Final Budget
As Comparison to
Fiscal Year 2007-08 Final Adopted Budget
(Amounts Expressed In Millions)**

	2007-08 Adopted Final Net Cost	2008-09 Adopted Final Net Cost	Year to Year Variance
ELECTED OFFICIALS/DEPARTMENT HEADS			
Assessor	\$ 4.25	\$ 7.99	\$ 3.74
Board of Supervisors	3.71	3.81	0.10
District Attorney	40.08	46.91	6.83
Sheriff	173.26	177.99	4.73
Correctional Health	19.01	22.37	3.36
Subtotal	\$ 240.31	\$ 259.07	\$ 18.76
COUNTYWIDE SERVICES			
Child Support Services	\$ 0.12	\$ 0.07	\$ (0.05)
Human Assistance (DHA)-Aid Payments	42.58	42.58	0.00
DHA-Administration	34.47	29.43	(5.04)
Department of Health & Human Services (DHHS)	42.06	39.53	(2.53)
Probation	61.30	69.62	8.32
Courts	41.78	38.90	(2.88)
Public Defender and Conflict Criminal Defenders	34.87	33.64	(1.23)
Health Treatment Accounts	22.95	22.95	0.00
In-Home Support Services (IHSS)	13.25	13.25	0.00
Voter Registration and Elections	7.25	8.27	1.02
Other Countywide Services	14.36	15.16	0.80
Subtotal	\$ 314.99	\$ 313.40	\$ (1.59)
MUNICIPAL SERVICES			
Animal Care and Regulation	\$ 3.18	\$ 2.99	\$ (0.19)
Regional Parks, Recreation and Open Space	4.99	4.60	(0.39)
Planning and Community Development	5.55	3.87	(1.68)
Other Municipal Services	1.07	1.88	0.81
Subtotal	\$ 14.79	\$ 13.34	\$ (1.45)
INTERNAL SERVICES			
Department of Finance	\$ 0.62	\$ 1.88	\$ 1.26
Department of Personnel Services	7.93	0.00	(7.93)
Other Internal Services	0.15	0.73	0.58
Subtotal	\$ 8.70	\$ 2.61	\$ (6.09)
GENERAL GOVERNMENT	\$ 37.77	\$ 33.60	\$ (4.17)
Contingency and Reserve Change	\$ 15.14	\$ 8.15	\$ (6.99)
Non-Departmental/Countywide Costs	\$ (5.17)	\$ (15.18)	\$ (10.01)
TOTAL	\$ 626.53	\$ 614.99	\$ (11.54)

There have been increases for the Assessor, District Attorney, Sheriff’s Department and Probation in line with the Board’s priorities and the recognition of contractually obligated labor cost increases. Generally, all other departments have had their recommended appropriations either reduced or increased only slightly to offset mandated costs (i.e. Voter Registration/Elections for November 2008 general election).

The following table gives a higher-level summary of the recommended allocations by service area for the General Fund:

Summary Of Recommended General Fund Allocations By Service Area (Amounts Expressed In Millions)		
Uses of Allocations	2008-09 Adopted Final Net Cost	Percent of Total
Assessor, District Attorney & Sheriff	\$ 255.26	41.50%
Board of Supervisors	3.81	0.62%
General Government	33.60	5.46%
Internal Services	2.62	0.43%
Countywide Services	313.40	50.96%
Municipal Services	13.33	2.17%
Contingency, Reserves	8.15	1.33%
Non-Departmental/Countywide Costs	(15.18)	(2.47%)
TOTAL	\$ 614.99	100.0%

Countywide Services consume approximately half the local revenue resources, primarily for mandated services. Municipal Services, Internal Services, and General Government are allocated together at only eight percent of the local revenue resources, although this picture is skewed by the mixed services (Municipal and Countywide) provided by Assessor, District Attorney, and the Sheriff. The Board, Assessor, and District Attorney Offices’ provide countywide services, but much of the allocation to the Sheriff’s Department is for municipal services.

Overall Financing for the General Fund

Financing for General Fund programs comes from three sources:

FINANCING SOURCE	Amount (Expressed in Millions)
Departmental Revenue	\$1,563.80
Departmental Carryover	9.72
General Purpose Financing	614.99
TOTAL	\$2,188.51

Departmental revenues make up 71.46 percent of the total financing and are those revenues restricted to funding a single program or narrow range of programs. In the State of California, counties are formally political subdivisions of the state, and most of these restricted departmental revenues come from the state and federal governments (most of the federal revenue channels through the State).

The department carryover is that portion of the fund balance which is, by Board of Supervisors' policy, allocated directly back to certain General Fund budget units. This policy was established in 1992 to provide an incentive for departments to take actions to maximize fund balance and minimize budget funding gaps in lean budget years.

General Purpose Financing

General Purpose Financing is the source used to fund the net cost of the various programs. The following table summarizes the financing estimates:

General Purpose Financing (Amounts Expressed In Millions)			
	2007-08 Adopted Final	2007-08 Actual Year-End	2008-09 Adopted Final
General Revenues	\$ 563.9	\$ 560.7	\$ 563.9
General Fund Balance	39.0	39.0	13.6
Reserve Releases	23.6	25.9	37.4
TOTAL	\$ 626.5	\$ 625.6	\$ 614.9

The following table details the year-to-year recommended changes in general purpose revenues:

General Purpose Revenues (Amounts Expressed In Millions)			
	2007-08 Adopted Final	2007-08 Actual Year-end	2008-09 Adopted Final
Property Taxes *	\$ 272.6	\$ 270.4	\$ 276.3
Sales Tax & In Lieu Sales Tax	83.1	80.7	81.0
Property Tax In Lieu of Vehicle License Fees	138.2	141.3	142.7
Utility Tax	14.5	15.4	14.6
Fines & Penalties	14.3	15.3	14.3
Franchises	3.3	3.9	3.3
Revenue Neutrality & Transition	17.7	15.5	18.6
Other Revenues & Costs	20.2	18.1	13.0
TOTAL	\$ 563.9	\$ 560.6	\$ 563.9

*Includes all sources of property tax revenue (i.e. Secured, Unsecured, Supplemental, Delinquent, Unitary)

In recent years the County has experienced growth in property tax collections ranging from approximately ten percent growth in Fiscal Year 2002-03 to its most recent high growth rate of fifteen percent in Fiscal Year 2006-07, before returning to a 9% growth rate in Fiscal Year 2007-08. The housing market slowdown has caused the County Assessor to decrease the assessed value for approximately 85,000 properties in May 2008. This will reduce growth in secured property taxes for Fiscal Year 2008-09 to approximately two percent. The major revenue assumptions are included in a table in the General Budget Information section of this budget document (see page A-23 through A25).

Recent Changes in Fund Balance of General Fund

The following table reflects the beginning total fund balance (both Departmental carryover and Non-Departmental fund balance) of each fiscal year since Fiscal Year 1999-00 and the change in available fund balance from the prior-year fiscal year:

Fiscal Year	Fund Balance	Variance
1999-00	\$57,680,098	
2000-01	70,670,476	\$12,990,378
2001-02	57,459,180	(13,211,296)
2002-03	42,333,377	(15,125,803)
2003-04	62,865,576	20,532,199
2004-05	67,952,967	5,087,391
2005-06	102,560,476	34,607,509
2006-07	140,718,398	38,157,922
2007-08	74,532,227	(66,186,171)
2008-09	23,357,256	(51,174,971)

- At the start of the Fiscal Year 2000-01, the apparent increase in fund balance was due to the unbudgeted receipt of Tobacco Litigation Settlement payments of \$16.3 million which were not expended during the fiscal year. Without this unanticipated revenue, fund balance would have declined by several million.
- There were significant declines in fund balance from Fiscal Years 2001-02 to 2002-03. The reduction in fund balance at the start of Fiscal Year 2002-03 reflected unbudgeted increases in the local share of human assistance aid payments, and under-collection of both local sales tax and sales tax from statewide pools. The sales tax from statewide pools is allocated to certain public safety and human service programs.
- In Fiscal Year 2003-04 the fund balance turned around as a result of significant savings by departments.
- In Fiscal Year 2004-05 and Fiscal Year 2005-06 there was an unanticipated increase in property tax revenues associated with the strong local real estate market. The actual growth in major revenues such as sales tax and vehicle license fees also met budgetary expectations.
- The beginning fund balance for Fiscal Year 2006-07 exceeded budgeted estimates by \$55.7 million largely because of the continued strong local real estate market (Property Tax collections exceeded budget estimates by \$55.7 million). Because collections were so much higher than anticipated, the County took the opportunity to increase general reserves by \$57.0 million.
- In Fiscal Year 2007-08 the beginning fund balance declined because Property Tax collections were more in line with budgeted estimates.
- In Fiscal Year 2008-09 the true impact of the economic downturn can be seen with the drop in fund balance which is predominately the result of a decrease in growth rates for both property taxes and sales related taxes.

Other Funds Subject to Appropriation (Other Governmental Funds)

The overall financing and requirement for the Other Governmental Funds, or those other funds subject to appropriation is found in Schedule 1 – Summary of County Budget, (see page B-4) in the Summary Schedules portion of this document (see pages B-3 through B-47). An analysis of fund balances is reflected in Schedule 2 – Analysis of Fund Balance Unreserved/Undesignated (see page B-5). Reserve change detail is reflected in Schedule 3- Detail of Provisions for Reserves/Designations (see pages B-6 and B-7). All other Summary Schedules are reflected in Section B – Summary Schedules. Following is a brief description of the Other Governmental Funds, the major financing sources, and the 2008-09 requirement and financing.

Fish and Game Fund -- \$50,000 - Financing for this fund comes from fish and game fines. The funds are used for education programs.

Health Care for the Uninsured Fund -- \$1,011,599 - Funding came from Tobacco Litigation Settlement Revenue received before the securitization of this revenue stream. The projected use of this fund is to provide seed funding for the extension of health benefits to that portion of the population currently uninsured.

Park Construction Fund -- \$5,475,320 - Funding comes from grants, donations, state bond sales, and contributions from the County Transient-Occupancy Tax Fund. Parks acquisition, development, and rehabilitation projects are financed from this fund.

Capital Construction Fund -- \$22,937,956 - Financing comes from a use allocations charge to the departments occupying county-owned facilities, debt financing, and grants. The acquisition, construction, and major maintenance of county facilities are financed from this fund.

Tobacco Litigation Settlement Fund -- \$6,033,883 - Financing for this fund comes from the proceeds of the tobacco revenue bond sale (securitization). On November 15, 2005, the Board of Supervisors approved refinancing the 2001 Tobacco Litigation Settlement Bonds to reduce the County debt service on those bonds. Under the original deallocation schedule, the County had between \$4.7 million to \$8.3 million per year to fund county-operated programs with some of the funds in the TLS endowment program. Based on the current deallocation schedule, only new and expanded programs by tax-exempt, qualified nonprofit organizations other than the County itself, or qualified capital projects can be funded with the original 2001 Bonds. The Board of Supervisors approves allocations to community based organizations on a competitive basis and on a three-year funding cycle.

First Five Sacramento Commission Fund -- \$74,552,950 - Funding comes from the State of California under the terms of a voter-approved statewide initiative. The funding is restricted to services to youths and may not be used for basic county operations. Allocations are approved by a Commission consisting of elected officials and appointed members.

Teeter Plan Fund -- \$96,111,944 - The County utilizes the Teeter Plan of property tax distribution. All secured tax delinquencies are advanced to those public agencies in the County which receive property taxes. The County borrows the funds to advance the delinquent taxes from the Treasury Pool in an annual five-year note. The borrowed funds are repaid with delinquent tax principal, redemption charges, and interest (18.0 percent per year). Any interest and redemption charges in excess of debt service accrue to the General Fund. The debt issues, the debt service, delinquent taxes, redemption charges, interest, and transfers to and from the General Fund are made from this fund.

Economic Development Fund -- \$47,928,599 - County economic development activities are financed from this fund. Major projects include the conversion of two former air force bases

from military to mixed private and public use. Funding comes from the sale of land and facilities, grants, and a contribution from the General Fund. Changes in fund balance depend on the timing of capital projects. Often the actual sale of assets and the construction or renovation of facilities differs from the budget plan.

Road Fund -- \$72,293,996 - Gas tax and restricted state road funding accrues to this fund. Street and road acquisition, construction, and maintenance are financed from this fund. The purpose of this fund is to segregate the gas tax revenue.

Environmental Management Fund -- \$22,026,879 - Environmental Management provides countywide regulatory services that protect public health and the environment. There is no General Fund financing. The primary source of financing for this fund comes from fees and contracts associated with the various regulatory activities of the Environmental Health, Hazardous Materials, and Water Protection Divisions. These regulatory programs apply to an inventory of approximately 10,000 commercial enterprises and nearly all governmental entities. Major activities include inspection of restaurants and other retail food facilities, regulation of underground storage tanks, ensuring compliant stormwater management practices, and overseeing remediation of contaminated properties.

Library General Fund -- \$23,475,960 - The primary source of financing for this fund comes from a dedicated share of property taxes collected in the Unincorporated Area and the cities of Sacramento, Elk Grove, Citrus Heights, Galt, Rancho Cordova, and Isleton. Library services are provided by a City of Sacramento – Sacramento County Joint Powers Authority with a separate Authority Board. Funding allocated to this fund is transferred to the Library Authority for services and materials.

Community Services Fund -- \$26,788,571 - Housing and homeless programs are financed from this fund. Major funding sources include redevelopment project allocations, grants, state allocations, and transfers from the General Fund. The purpose of this fund is to segregate the restricted housing revenues.

Transient-Occupancy Tax Fund -- \$10,410,186 - The County's hotel tax accrues to this fund, and this revenue is general purpose financing and may be expended on any county activity. The Board of Supervisors holds special hearings to allocate financing from this fund to community organizations, facilities and programs jointly funded with the City of Sacramento, and county departments.

Golf Fund -- \$8,922,536 - The operations and maintenance of three county golf courses is financed from this fund. Major financing sources include user fees and concession charges.

Building Inspection Fund -- \$14,855,256 - Primary financing comes from building inspection charges. The County is responsible for building inspection in the Unincorporated Area.

Roadways Fund -- \$12,265,178 - This fund is used to segregate development impact and special assessment revenue dedicated to street and road acquisition, construction, and maintenance.

Transportation – Sales Tax Fund -- \$98,212,734 - In Sacramento County the voters have approved a ½ cent increase in the sales tax to be dedicated to transportation capital projects and operations. Revenue is shared by the County, cities, and the Regional Transit System (bus and train service). This fund is used to segregate the County's share of the special sales tax revenue.

Rural Transit Fund -- \$8,903,478 - Transit services to the rural areas of the Unincorporated Area of the County are financed from this fund. Currently there are two program areas that receive funding: Galt Transit Area and East County Transit Area.

III. Five-Year Capital Improvement Plan (Volume III)

The 2008-09 Final Adopted Budget includes a Five-Year Capital Improvement Plan (CIP) for Sacramento County (please see Volume III). The CIP lists both the approved and proposed capital improvements to be acquired or constructed through Fiscal Year 2012-13. The approved and proposed capital projects are broken into three major categories: Airports, County Facilities, and Regional Parks. The funding needs may be summarized:

CATEGORY	Prior-Years and Five-Year Costs
Airports	\$1,312,716,385
County Facilities	951,611,276
Regional Parks	9,190,446
Total	\$2,273,518,107

Funding has not been obtained for all the projects, particularly those in the later years of the five-year plan. Following the Five-Year CIP will result in additional operating and debt service expenditures in the present and future years. The levels of new expenditures will depend upon factors such as the timing of the facility development, operating offsets from current facilities, and interest rates. All operating and debt service costs relating to the budget year are included in the budget.

NEW FACILITIES PLANNED IN THE FIVE-YEAR CIP AND ASSOCIATED OPERATING COSTS

Airports

The Five-Year CIP estimated cost is \$1.3 billion. The largest single project in the CIP is the Sacramento International Airport Terminal Development Program, including the Landside Terminal Building, Airside Concourse and Automated People Mover with an estimated cost of approximately \$673.329 million reflected in Fiscal Years 2008-09 through 2012-13. The CIP will be funded by a combination of sources: Retained Earnings, Passenger Facility Charges (PFC), and various forms of revenue bonds. (See Final Budget 2008-09, Volume III, pages 3 through 128 for more detailed information regarding specific Airport System projects.)

County Facilities

The Fiscal Year 2008-09 Five-Year CIP has identified 62 projects at an estimated capital cost of \$228.58 million. A substantial portion of that amount is expected to be spent in the next two years for major juvenile justice projects. The following brief descriptions highlight several projects that demonstrate the magnitude and range of construction undertaken by the County. (See Final Budget 2008-09, Volume III, pages 129 through 200 for more detailed information regarding specific county projects.)

- **Juvenile Hall – Expansion and Modification** -- This project will increase capacity of Juvenile Hall, improve the safety of day-to-day operations of the facility, and provide some expansion space. Bids received on this project grossly exceeded the project budget due to several market developments that affected the bidding climate. The project was broken into four construction phases to allow sequential funding. Phase I is complete, adding ninety new beds to the facility. Phase II is under construction and the other two phases will go out to bid in the summer of 2008. The estimate includes construction of all four phases. **Estimated Total Cost: \$107,352,507**
- **Juvenile Hall – Construct Four 30-Bed Housing Units** -- Juvenile Hall does not have the required bed capacity for operational safety, despite the ninety beds added in the above project. Four new thirty-bed housing units are being constructed to meet current and projected needs. **Estimated Total Cost: \$18,620,000**
- **Sheriff South Area Substation – Remodel for 911 Communication Center** – This project will remodel the South Area Substation for reuse by the 911 Communication Center and replace all existing equipment and related communications systems equipment. The Communication Center, located in the Sheriff's administration building at 711 G Street, does not meet current structural and seismic code requirements and is located within the flood plan in the downtown area. Relocation to Bond Road will allow sufficient room for new equipment and locate this emergency services building way from potential flooding. **Estimated Total Cost: \$14,097,000**

Human Assistance Facilities

Because of the unique nature of federal and state funding for facilities that support social services for clients, it is advantageous to lease, rather than own, those facilities. As a result, new leases for the Department of Human Assistance (DHA) are included in the Capital Improvement Plan if the monthly lease cost exceeds \$50,000. Projects proposed to be completed in the Fiscal Year 2008-09 Capital Budget include an "Operating Budget Impact" statement. Currently there are four new projects slated for development for the following activities:

- **Elk Grove Bureau** -- The department is exploring replacing the Elk Grove and the Bowling Green facilities with a new common facility that would serve both communities. A facility of approximately 54,000 square feet would be required. Occupancy is expected by early 2011. The annual lease of the combined facility is estimated to be approximately \$2.3 million. **Estimated Total Cost: \$4,302,8000**
- **Galt Bureau** -- A project is underway to secure a new, larger leased facility for the Galt Bureau Office. The facility will be approximately 27,000 square feet and is expected to be available in the third quarter of Fiscal Year 2008-09. The Galt facility will be a full-service building providing services to Galt and the Delta communities. Lease costs are initially estimated at approximately \$1.1 million per year. **Estimated Total Cost: \$6,349,400**
- **Investigations Division** -- Approximately 50,000 square feet will be required to adequately house this program. This Division has a confidential address and the selected site will allow the program to be located in an area where its anonymity will be maintained. Annual lease costs of approximately \$1.6 million for this facility would begin in the fourth quarter of Fiscal Year 2008-09. **Estimated Total Cost: \$8,464,400**
- **Research Bureau** -- DHA is planning to replace the current Research Bureau Office facility. The new facility will be approximately 60,000 square feet. The building will provide the full-range of public assistance and employment services to the residents of Del Paso Heights.

The building should be available in the third quarter of Fiscal Year 2010-11. Lease costs are expected to be in excess of \$2.5 million per year. **Estimated Total Cost: \$7,870,800**

(See Final Budget 2008-09, Volume III, pages 201 through 206 for more detailed information regarding specific Human Assistance projects.)

Libraries

Sacramento County is a partner in the Sacramento Public Library Authority that provides library services and operates libraries in the County. The County is responsible for planning, constructing, and financing library facilities within the County's jurisdiction. Impact fees levied on new developments provide a portion of financing available for library construction. (See Final Budget 2008-09, Volume III, pages 207 through 213 for more detailed information regarding specific Library projects.)

- **Rio Linda Library – New Library** -- This facility will serve the educational and recreational needs of the Rio Linda community. **Estimated Total Cost: \$1,728,735.**

Transportation

The Five-Year CIP estimated cost of \$559.8 million is based on the Fiscal Years 2008-13 Transportation Improvement Plan, as adopted by the Board of Supervisors. This CIP includes only the capital improvement projects that are currently being implemented by Sacramento County Department of Transportation (SACDOT). Maintenance and operations activities carried out by SACDOT, including major contracts for pavement rehabilitation and sidewalk/curb/gutter replacement, are not included in the CIP. These programs and activities are set forth in the annual Maintenance and Operations Program. Some of the projects included in the Transportation CIP will result in impacts to the Department's Operation and Maintenance Programs and budget. (See Final Budget 2008-09, Volume III, pages 215 through 335 for more detailed information regarding specific SACDOT projects.)

Waste Management & Recycling

The Department of Waste Management and Recycling (DWMR) Five-Year Capital Improvement Plan (CIP) is split between equipment replacements and capital projects at the Kiefer Landfill (KLF) and North Area Recovery Station (NARS). KLF projects are required for ongoing landfill operations and are prescribed by various state regulations and permit conditions. Ongoing projects include new liner construction, landfill gas collection system components, water supply improvements, wetland mitigation, bufferland management and building improvements. The estimated capital costs for projects identified in the Five-Year CIP are \$99.1 million. The NARS capital projects will improve and repair the site as mandated by state regulations and permit conditions. One such project is the NARS Green Waste Building and Master Plan project. All DWMR capital projects are funded through the Solid Waste Enterprise Fund without any contributions from the County General Fund. (See Final Budget 2008-09, Volume III, pages 337 through 389 for more detailed information regarding specific DWMR projects.)

Water Resources

The Department of Water Resources constructs large-scale countywide drainage improvement projects intended to mitigate or prevent flood damage in developed areas. The estimated capital cost for projects identified in the Five-Year CIP is \$23.6 million. Projects are intended to minimize flooding during large storm events through upgrading existing portions of the drainage system, adding new facilities to the existing system and by ensuring the reliability of existing

drainage facilities through back-up facilities. There are currently 26 projects identified in the Fiscal Year 2008-09 CIP that are planned or underway by Water Resources. (See Final Budget 2008-09, Volume III, pages 391 through 447 for more detailed information regarding specific Water Resources projects.)

Regional Parks

The Department of Regional Parks (Parks) CIP consists of projects that have been identified to meet Parks' mission to acquire, protect, interpret and enhance park, recreation, historic and open space resources as a means of improving the quality of life for all. The Five-Year CIP estimated cost is \$9.2 million. (See Final Budget 2008-09, Volume III, pages 449 through 485 for more detailed information regarding specific Regional Park projects.)

IV. Strategic Plan

In April 2006, the Board of Supervisors approved the County's Strategic Issues and Objectives which are the foundation for the County's Strategic Plan and Performance Management System.

ECONOMIC GROWTH

Strategic Objectives:

1. Promote employment and self-sufficiency through the job market.
2. Achieve continual business growth in the Unincorporated Area, particularly among businesses that generate tax revenue for the County.
3. Achieve a high degree of recipient and user satisfaction with the quality, timeliness of response, and coordination of county economic development and employment services.

LAW AND JUSTICE

Strategic Objectives:

1. Foster a safe community.
2. Ensure a fair and just criminal justice system.
3. Maximize diversion of first and early offenders.
4. Provide quality services to the public.

TRANSPORTATION

Strategic Objectives:

1. Bolster safe and efficient movement of people and goods.
2. Achieve a high degree of public satisfaction with the quality, timeliness of response, and coordination of transportation services.

PUBLIC HEALTH AND SAFETY

Strategic Objectives:

1. Minimize injury and property loss caused by emergencies and natural disasters.
2. Keep citizens safe from environmental hazards.
3. Keep residents healthy and free from preventable disease.
4. Achieve a high degree of public and user satisfaction with the quality, timeliness of response, and coordination of county health and safety services.

HEALTHY FAMILIES

Strategic Objectives:

1. Ensure that needy families and senior citizens have adequate food, shelter, and health care.
2. Minimize the impact of substance abuse and mental illness on families.
3. Protect families from violence.
4. Achieve a high degree of public and user satisfaction with the quality, timeliness of response, and coordination of county services.

SUSTAINABLE AND LIVABLE COMMUNITIES

Strategic Objectives:

1. Develop and sustain livable and attractive neighborhoods.
2. Minimize the impact of substance abuse and mental illness on communities.
3. Promote opportunities for civic involvement.
4. Foster community identity.
5. Achieve a high degree of public satisfaction with the quality, timeliness of response, and coordination of county services to neighborhoods.

During the past year the County has identified quantifiable community outcomes by using these Strategic Priorities to measure our overall success. Departments have identified their programmatic contributions to these community outcomes and have developed measurable indicators to track their success. The results of this work will be published in October 2008 in the County’s community “report card”. The “report card” outlines our progress in reaching the goals of the County’s Strategic Plan and identified those areas that need improvement. (The Sacramento County 2007-08 Report Card is available at www.ceo.saccounty.net.)

The goal for Fiscal Year 2008-09 is to develop a work plan that further defines our core services and links them with our Strategic Objectives and Performance Measures to further meet the needs and expectations of the community.

LINKING STRATEGIC OBJECTIVES TO RESOURCE ALLOCATIONS

In an ongoing effort to align the budget priorities with the Board strategic objectives, OBDM has expanded the budget program database to include the strategic objectives that the Board adopted on April 18, 2006. Table 1 depicts the entire county budget, including the enterprise and internal service funds, tracked and reported to the Board by the six major strategic issues.

Table 1 – Total Fiscal Year 2008-09 County Budget

Strategic Priorities	Appropriations	Estimated Financing	Net Cost	Percent Net Cost	Positions
Strong and Healthy Families	\$ 1,326.75	\$ 1,185.36	\$ 141.39	8%	5,009.4
Law and Justice	858.27	453.03	405.24	23%	4,105.9
Transportation	1,426.10	426.03	1,000.06	56%	775.0
Public Health and Safety	606.75	463.94	142.81	8%	1,976.3
Sustainable and Livable Communities	238.42	221.90	16.52	1%	356.5
Economic Growth	55.79	51.49	4.30	0%	66.0
General Government	9.12	13.75	(4.64)	0%	175.3
Internal Services	740.29	670.24	70.06	4%	1,868.0
GRAND TOTAL	\$ 5,261.48	\$ 3,485.74	\$ 1,775.74	100%	14,332.4

¹ Net Cost for the General Fund is financed with General Purpose Financing Revenues. Net Cost for other funds are financed with Retained Earnings.

Table 2 below reflects the year to year changes in the total county budget for net costs and positions.

Table 2 – Comparison of Prior and Current Years Total County Budget

Strategic Priorities	FY 2007-08		FY 2008-09		Year to Year	
	Net Cost	Positions	Net Cost	Positions	Net Cost	Positions
Strong and Healthy Families	\$ 122.90	5,082.8	\$ 141.39	5,009.4	\$ 18.49	(73.35)
Law and Justice	382.61	4,147.4	405.24	4,105.9	22.63	(41.50)
Transportation	543.75	772.0	1,000.06	775.0	456.32	3.00
Public Health and Safety	324.66	2,042.0	142.81	1,976.3	(181.85)	(65.70)
Sustainable and Livable Communities	16.47	416.2	16.52	356.5	0.04	(59.65)
Economic Growth	4.54	73.1	4.30	66.0	(0.24)	(7.10)
General Government	15.14	48.6	(4.64)	175.3	(19.77)	126.70
Internal Services	77.19	1,952.4	70.06	1,868.0	(7.13)	(84.40)
GRAND TOTAL	\$ 1,487.25	14,534.5	\$ 1,775.74	14,332.4	\$ 288.49	(202.00)

1. The most significant increase was in Transportation caused predominately from the increased appropriation associated with the Airport Terminal Modernization Project.
2. The decrease in net cost for Public Health and Safety is predominately the result of the changes in appropriations for the Water Agency and Stormwater Utility District. The changes reflect changes in construction costs for the Vineyard Surface Water Treatment Plant in the Water Agency Enterprise Fund.
3. There are two issues that are affecting the change in positions between the fiscal years.
 - a. The centralization of the Department of Personnel Services has resulted in an increase in positions in the General Government category and the reduction of a like number of positions throughout the various other strategic categories.
 - b. The overall decrease in position is the result of the various program changes that the Board enacted at the Proposed Budget Hearings in June 2008.

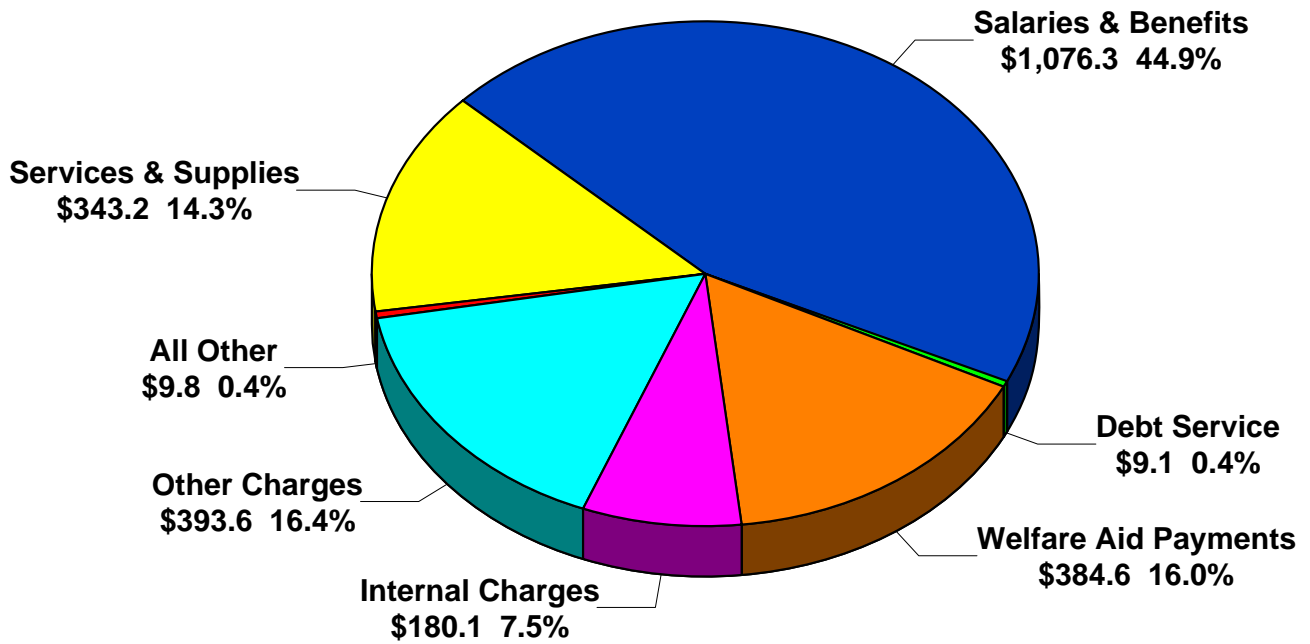
Table 3 reflects the year to year changes in the total county General Fund budget for net costs and positions.

Table 3 – Comparison Prior and Current Years General Fund Budget

Strategic Priorities	FY 2007-08		FY 2008-09		Year to Year	
	Net Cost	Positions	Net Cost	Positions	Net Cost	Positions
Strong and Healthy Families	\$ 122.90	4,942.9	\$ 141.39	4,869.5	\$ 18.49	(73.4)
Law and Justice	382.61	4,142.4	405.27	4,100.9	22.66	(41.5)
Transportation	0.06	-	0.06	-	-	-
Public Health and Safety	16.59	317.9	13.10	248.7	(3.49)	(69.2)
Sustainable and Livable Communities	16.47	340.2	16.52	279.5	0.05	(60.7)
Economic Growth	4.54	49.3	4.27	43.2	(0.27)	(6.1)
General Government	15.13	48.6	1.00	132.8	(14.13)	84.2
Internal Services	68.21	876.8	33.38	785.4	(34.83)	(91.4)
GRAND TOTAL	\$ 626.51	10,718.1	\$ 614.99	10,460.0	\$ (11.52)	(258.1)

1. The increase in positions in General Government reflects the transfer of positions to the centralized Department of Personnel Services.
2. The balance of positions changes were a combination of unfunding vacant positions and the reduction on positions associated with program reductions.

GENERAL FUND
APPROPRIATION TYPES
(Amounts Expressed In Millions)



**COUNTY EXECUTIVE'S
RECOMMENDED FINAL BUDGET
LETTERS**

INTRODUCTION **RECOMMENDED FISCAL YEAR 2008-09 FINAL BUDGET LETTERS**

COUNTY OF SACRAMENTO CALIFORNIA

For the Agenda of:
November 12, 2008
2:00 P.M.

To: Board of Supervisors

From: Terry Schutten
 County Executive

Subject: Recommended Fiscal Year 2008-09 Final Budget Adjustments

Supervisory
District: All

Contact: Navdeep S. Gill, Chief Operations Officer, 874-5803
 Linda Foster-Hall, County Budget Officer, 874-2453

RECOMMENDATIONS:

1. Approve the attached Schedules changing the Fiscal Year 2008-09 Recommended Final Budget and constituting approval of the Final Budget for Fiscal Year 2008-09. (Attachment 1)
2. Conduct a Beilensen hearing pursuant to Section 1442.5 of the California Health and Safety Code (Beilenson Act) on the elimination or reduction of medical care services to indigents provided by the County of Sacramento.
3. Approve the attached report from the Probation Department to reallocate various Information Technology positions within the Probation Department. (Attachment 3)
4. Direct the Department of Personnel Services to prepare an administrative Salary Resolution Amendment to reflect the positions as adopted by the Board in the Fiscal Year 2008-09 Final Budget.
5. Direct the Department of Finance to prepare the Fiscal Year 2008-09 Budget Resolutions for Board consideration on Tuesday, November 18, 2008.

BACKGROUND:

The Board of Supervisors adopted the County's preliminary budget in June 2008. On September 3, 2008 the Board was presented an update on the County's budget and extended final budget hearings until the State adopted its budget, which it did on September 23, 2008.

INTRODUCTION RECOMMENDED FISCAL YEAR 2008-09 FINAL BUDGET LETTERS

Recommended Fiscal Year 2008-09 Final Budget
Page 2

DISCUSSION:

State Budget Impact

The State budget includes reductions in funding for various programs administered by the County. Consistent with Board direction, State reductions and/or decreases in cost sharing formulas are not being recommended to be funded by the County. Below is a table summarizing the State budget impact by department. Each department is absorbing position reductions by reassigning staff within their respective departments.

General Fund (001A)		Reduction	
Department	Program	Amount	FTE
Health and Human Services	Mental Health Children's Services	\$514,000	0.0
	Mental Health Treatment Center (CalWORKS)	\$282,842	0.0
	Mental Health Adults (CalWORKS)	\$157,345	2.0
	Mental Health Children's Services - Youth Intervention	\$130,695	0.0
	Mental Health Adults - Long Term Care	\$90,000	0.0
	Mental Health Adults - Homeless Services	\$220,000	0.0
	Mental Health Adults - Wellness Recovery, Training and Advocacy	\$335,783	0.0
	Alcohol and Drug Services (CalWORKS)	\$439,996	0.0
	Alcohol and Drug Services (Proposition 36)	\$1,493,927	0.0
	California Children's Services	\$1,171,058	10.0
	Health Officer - Public Health Programs	\$30,000	0.0
	Health Officer - Communicable Disease Control	\$12,588	0.0
Subtotal Health and Human Services		\$4,878,234	12.0
Human Assistance	CalWORKS & Employee Services - Welfare to Work	\$4,000,000	0.0
	Medi-Cal & Medical Assistance	\$3,000,000	0.0
Subtotal Human Assistance		\$7,000,000	0.0
Probation	Juvenile Mentally Ill Offender Crime Reduction	\$1,350,000	5.0
	Mentally Ill Offender Crime Reduction Grant	\$305,560	2.0
	California Multi-jurisdictional Methamphetamine Enforcement Team (CAL-MMET)	\$144,000	1.0
	Substance Abuse and Crime Prevention Act (Proposition 36)	\$484,785	4.0
Subtotal Probation		\$2,284,345	12.0
Sheriff	Mentally Ill Offender Crime Reduction Grant	\$701,234	1.0
Total General Fund Reduction Impacts		\$14,863,813	25.0

The State budget does include the below increased funding for local road maintenance.

Road Fund (005A)		Increase	
Department	Program	Amount	FTE
Transportation	Pavement Maintenance (Proposition 1B)	\$2,500,000	0.0

Recommended Fiscal Year 2008-09 Final Budget
Page 3

Attachment 2 further describes the impacts of the State budget to department programs.

Beilensen Hearing

County is required by State law to conduct a Bielensen hearing when eliminations or reductions are recommended for medical care services to indigents. State reductions to California Children's Services will eliminate or reduce services to the medical indigent population of the County.

- Closure of Oak Park Health Center – Department of Health & Human Services (DHHS) is proposing to close this clinic which provides pediatric health care, family planning, and public health services to its clients one day a week. The closure of the clinic would necessitate a small number of patients to access services at other County clinics.
- Pediatric health care will be relocated to the County's South City Health Center site, which is closer to the homes of patients formerly seen at Oak Park Health Center. Only a small percentage of the children residing in Sacramento County are eligible for the mandated County Medically Indigent Services Program provided at the Oak Park Health Center, and the majority of these children reside in the southern part of Sacramento County.
- Oak Park clinic staff will be transferred to the Northeast Health Center to provide an additional one day a week of family planning, other women's health services and treatment for sexually transmitted diseases.

Report From The Probation Department Reallocating Various Information Technology Positions In The Probation Department

The proposed reallocation (detailed in Attachment 3) of information technology positions will allow the Probation Department to manage, support and enhance the department's technological needs. The cost of these reallocations will be offset by a reduction in contract computer consultant staffing.

Potential Mid Year Budget Issues

Current growth estimates from two budget units have not been accepted on the basis that they are, at this time, too speculative.

- In-Home Supportive Services – DHHS had projected an 11 percent growth in program hours. If this projection were to prove accurate, then this program would require an additional \$9.4 million.
- Criminal Conflict Defenders Office (CCD) – CCD has indicated that its case load may grow at a rate that would require additional funding of \$4.0 million.

We are monitoring these and other programs. Should we receive information that budget overruns are, in fact, threatened, we will make recommendations for adjustments regarding these programs.

Recommended Fiscal Year 2008-09 Final Budget
Page 4

CONCLUSION

It is recommended that the Board direct the Department of Finance to prepare the annual budget resolutions for adoption. The Department of Finance will return on November 18, 2008, with the final resolutions for the Board's approval.

Respectfully submitted,

TERRY SCHUTTEN
County Executive

Attachments

- | | |
|--------------|---|
| Attachment 1 | Revised Schedules 1 and 7 |
| Attachment 2 | Department Program Impact Statements |
| Attachment 3 | Report Reallocating Information Technology positions in the Probation
Department |
| Attachment 4 | Final Budget Schedules for Departments with Changes |

INTRODUCTION RECOMMENDED FISCAL YEAR 2008-09 FINAL BUDGET LETTERS

ATTACHMENT I
Page 1 of 2

COUNTY OF SACRAMENTO
STATE OF CALIFORNIA
BUDGET FOR FISCAL YEAR
2008-09

State Controller
County Budget Act
1985

SCHEDULE 1
SUMMARY OF COUNTY BUDGET

Fund No.	County Fund	AVAILABLE FINANCING				FINANCING REQUIREMENTS		
		Fund Balance Unreserved/ Undesignated June 30, 2008	Cancellation Of Prior Year Reserves	Estimated Additional Financing Sources	Total Available Financing	Estimated Financing Uses	Provisions for Reserves And/Or Designations (New Or Increases)	Total Financing Requirements
	<u>COUNTYWIDE FUNDS</u>							
001	General	23,357,256	37,385,837	2,127,763,079	2,188,506,172	2,183,359,221	5,146,951	2,188,506,172
002	Fish & Game	13,557	0	36,637	50,194	50,000	194	50,194
004	Health Care / Uninsured	240,721	760,878	10,000	1,011,599	1,011,599	0	1,011,599
006	Park Construction	-173,543	712,450	4,936,413	5,475,320	5,475,320	0	5,475,320
007	Capital Construction	-25,825,939	0	48,763,895	22,937,956	22,937,956	0	22,937,956
008	Tobacco Litigation Settlement	99,830	4,679,635	1,254,418	6,033,883	6,033,883	0	6,033,883
013	First 5 Sacramento Commission	16,334,889	37,825,889	20,392,172	74,552,950	74,552,950	0	74,552,950
016	Teeter Plan	19,605,103	0	76,506,841	96,111,944	96,111,944	0	96,111,944
020	Economic Development	12,511,511	0	35,417,088	47,928,599	47,928,599	0	47,928,599
	Subtotal	46,163,385	81,364,689	2,315,080,543	2,442,608,617	2,437,461,472	5,147,145	2,442,608,617
	<u>LESS THAN COUNTYWIDE FUNDS</u>							
005	Road	-4,760,995	0	77,054,991	72,293,996	72,293,996	0	72,293,996
010	Environmental Management	1,850,810	4,087,982	16,088,087	22,026,879	22,026,879	0	22,026,879
011	Library General	5,083,164	0	21,892,796	26,975,960	23,475,960	3,500,000	26,975,960
012	Community Services	216,659	0	26,571,912	26,788,571	26,788,571	0	26,788,571
015	Transient-Occupancy Tax	807,913	0	9,602,273	10,410,186	10,410,186	0	10,410,186
018	Golf	-93,773	0	9,016,309	8,922,536	8,922,536	0	8,922,536
021	Building Inspection	155,762	1,678,909	15,046,986	16,881,657	14,855,256	2,026,401	16,881,657
025	Roadways	11,655,524	0	6,038,796	17,694,320	12,265,178	5,429,142	17,694,320
026	Transportation-Sales Tax	-11,255,401	0	109,468,135	98,212,734	98,212,734	0	98,212,734
068	Rural Transit	-315,804	0	9,219,274	8,903,470	8,903,470	0	8,903,470
	Subtotal	3,343,859	5,766,891	299,999,559	309,110,309	298,154,766	10,955,543	309,110,309
	GRAND TOTAL	49,507,244	87,131,580	2,615,080,102	2,751,718,926	2,735,616,238	16,102,688	2,751,718,926

INTRODUCTION RECOMMENDED FISCAL YEAR 2008-09 FINAL BUDGET LETTERS

ATTACHMENT I
Page 2 of 2

COUNTY OF SACRAMENTO
STATE OF CALIFORNIA
BUDGET FOR FISCAL YEAR
2008-09

State Controller
County Budget Act
(1985)

SCHEDULE 7
SUMMARY OF COUNTY
FINANCING REQUIREMENTS
BY FUNCTION AND FUND

Description	Actual 2006-07	Actual 2007-08	Adopted 2007-08	Requested 2008-09	Recommended 2008-09
<u>SUMMARIZATION BY FUNCTION:</u>					
General	152,394,740	144,985,987	195,777,173	188,244,523	183,405,969
Public Protection	673,371,912	711,282,253	720,870,456	769,991,965	743,109,014
Public Ways & Facilities	98,168,098	109,003,129	182,580,750	191,741,978	191,741,978
Health & Sanitation	623,871,981	653,482,899	710,501,843	785,946,144	747,619,198
Public Assistance	656,091,719	680,987,034	720,375,406	725,531,058	715,814,229
Education	20,245,727	22,265,849	27,332,869	23,898,281	23,898,281
Recreation & Cultural	27,229,561	27,423,952	31,363,797	30,088,502	29,850,625
Debt Service	40,113,838	67,445,710	67,506,166	96,111,944	96,111,944
TOTAL SPECIFIC FINANCING USES	2,291,487,576	2,416,876,813	2,656,308,460	2,811,554,395	2,731,551,238
Appropriation for Contingencies	0	0	4,441,357	4,165,000	4,065,000
Provisions for Reserves	113,516,103	22,991,477	22,991,477	16,102,688	16,102,688
TOTAL FINANCING REQUIREMENTS	2,405,003,679	2,439,868,290	2,683,741,294	2,831,822,083	2,751,718,926
<u>SUMMARIZATION BY FUND:</u>					
<u>Countywide Funds</u>					
001 General	2,070,897,155	2,090,996,239	2,203,009,478	2,267,028,602	2,188,506,172
002 Fish & Game	50,490	29,603	50,000	50,194	50,194
004 Health Care / Uninsured	587,216	942,167	1,136,000	1,011,599	1,011,599
006 Park Construction	3,155,989	3,528,838	9,685,792	5,475,320	5,475,320
007 Capital Construction	18,677,987	27,255,152	26,820,193	22,937,956	22,937,956
008 Tobacco Litigation Settlement	52,000,452	8,347,579	9,401,703	6,033,883	6,033,883
013 First 5 Sacramento Commission	19,745,105	26,883,740	41,775,997	74,552,950	74,552,950
016 Teeter Plan	40,113,838	67,445,710	67,506,166	96,111,944	96,111,944
020 Economic Development	11,842,514	12,882,793	35,763,080	49,498,885	47,928,599
TOTAL, Countywide Funds	2,217,070,746	2,238,311,821	2,395,148,409	2,522,701,333	2,442,608,617
<u>Less Than Countywide Funds</u>					
005 Road	42,003,633	59,463,708	86,367,022	72,293,996	72,293,996
010 Environmental Management	14,061,872	15,971,727	18,067,440	22,037,320	22,026,879
011 Library General	19,854,624	21,865,329	26,925,257	26,975,960	26,975,960
012 Community Services	20,678,061	22,603,335	24,062,253	26,788,571	26,788,571
015 Transient-Occupancy Tax	7,773,227	7,563,391	10,835,968	10,410,186	10,410,186
018 Golf	8,870,067	8,594,760	8,791,413	8,922,536	8,922,536
021 Building Inspection	16,847,442	13,739,925	15,114,931	16,881,657	16,881,657
025 Roadways	6,881,248	4,723,370	15,288,250	17,694,320	17,694,320
026 Transportation-Sales Tax	49,089,594	44,855,376	80,701,767	98,212,734	98,212,734
068 Rural Transit	1,873,165	2,175,548	2,438,584	8,903,470	8,903,470
TOTAL, Less Than Countywide Funds	187,932,933	201,556,469	288,592,885	309,120,750	309,110,309
TOTAL FINANCING REQUIREMENTS	2,405,003,679	2,439,868,290	2,683,741,294	2,831,822,083	2,751,718,926

INTRODUCTION RECOMMENDED FISCAL YEAR 2008-09 FINAL BUDGET LETTERS

Attachment 2

DHHS State Budget Impact Notes:

Total Reductions: \$4,878,234

FTE: 12.0

Summary:

Program	Dollar Reduction	FTE Reduction
1 Mental Health Children's Services	\$514,000	0.0
2 Mental Health Treatment Center (CalWORKs)	\$282,842	0.0
3 Mental Health Adults (CalWORKs)	\$157,345	2.0
4 Mental Health Children's Services - Youth Intervention Services	\$130,695	0.0
5 Mental Health Adults – Long Term Care	\$90,000	0.0
6 Mental Health Adults – Homeless Services	\$220,000	0.0
7 Mental Health Adults – Wellness Recovery, Training and Advocacy	\$335,783	0.0
8 Alcohol and Drug Services Division (CalWORKs)	\$439,996	0.0
9 Alcohol and Drug Services Division (Prop 36)	\$1,493,927	0.0
10 California Children's Services	\$1,171,058	10.0
11 Health Officer – Public Health Programs	\$30,000	0.0
12 Health Officer – Communicable Disease Control	12,588	0.0
Total	\$4,878,234	12.0

1. Program Title:

Mental Health Children's Services

Program Description:

Provides planning, administrative support, and management to children's services. Responsible for a wide range of mental health services, including crisis intervention, psychiatric inpatient, day treatment, outpatient therapy, case management, medications

State Reduction:

Total Budget	Reduction	% Reduced	Total Program FTEs	Reduction in FTEs	% Reduced
\$81,882,129	\$514,000	0.6%	37.2	0.0	0.0

Program Impact:

This reduction will result in a decrease in the number of clients who are placed out of county for services, elimination of three voluntary acute foster care beds for children and youth in crisis but do not meet the threshold for involuntary psychiatric hospitalization, reduction of mental health outpatient services to children and youth

with a serious emotional disturbance, and reduction in funding for acute psychiatric beds for children and youth in need of psychiatric inpatient services.

2. Program Title:

Mental Health Treatment Center – (CalWORKs)

Program Description:

Provides emergency crisis assessment, admission and referral services, and hospitalization for 100 adult inpatients

State Reduction:

Total Budget	Reduction	% Reduced	Total Program FTEs	Reduction in FTEs	% Reduced
\$282,842	\$282,842	100%	222.1	0.0	0.0

Program Impact:

This will result in the partial reduction in funding for premium pay for employee differentials for staff working at the Treatment Center.

3. Program Title:

Mental Health Adults (CalWORKs)

Program Description:

Provides a full range of Mental Health Treatment and Rehabilitation services including case management, treatment, medication, skills development, vocational programs and support services for individuals meeting target and expanded target populations

State Reduction:

Total Budget	Reduction	% Reduced	Total Program FTEs	Reduction in FTEs	% Reduced
\$3,209,101	\$157,345	4.9%	31.0	2.0	6.5%

Program Impact:

This will result in the deletion of two Sr. Mental Health Counselor positions in the CalWORKs program. The program currently serves 1,683 CalWORKs clients and each clinician has a case load of 140. The reduction in clinicians will increase caseloads up to 168 per clinician and impact the children of the clients served, since the parents will not receive the needed services in a timely manner.

4. Program Title:

Mental Health Children’s Services – Youth Intervention Services

Program Description:

Provides mental health staff to programs to prevent juvenile delinquency: Youth Intervention Services (YIS), Day Reporting Center, Mentally Ill Offender Crime Reduction

State Reduction:

Total Budget	Reduction	% Reduced	Total Program FTEs	Reduction in FTEs	% Reduced
\$130,695	\$130,695	100%	8.0	0.0	0.0

Program Impact:

This will result in a reduction to in services to Probation clients who are screened and referred to appropriate mental health services. This reduction will increase the number of days clients remain in juvenile detention facilities, increase arrests and petitions, reductions in contracts with Quality Group Homes and River Oaks Center for Children, and potentially increase in Minor Emergency Response Team (MERT) visits and psychiatric hospitalizations.

The total reduction is \$130,695, which includes reduction of \$55,160 in Mentally Ill Crime Reduction (MIOCR) funds from Probation and a loss of State revenue of \$35,779 for Early Periodic Screening, Diagnosis and Treatment (EPSDT) and \$39,756 of Federal Financing Participation revenue.

5. Program Title:

Mental Health Adults – Long Term Care

Program Description:

Provides residential treatment (largely involuntarily) for gravely disabled mentally ill adults residing in IMD

State Reduction:

Total Budget	Reduction	% Reduced	Total Program FTEs	Reduction in FTEs	% Reduced
\$15,641,317	\$90,000	0.6%	6.0	0.0	0.0

Program Impact:

This will result in the mid-year reduction of one bed at the Napa State Hospital, creating an increased length of stay at the Sacramento County Mental Health Treatment Center.

INTRODUCTION RECOMMENDED FISCAL YEAR 2008-09 FINAL BUDGET LETTERS

Attachment 2

6. Program Title:

Mental Health Adults – Homeless Services

Program Description:

Provides a range of services for the adult homeless mentally ill, focused on community reintegration, housing stability, and mental health recovery

State Reduction:

Total Budget	Reduction	% Reduced	Total Program FTEs	Reduction in FTEs	% Reduced
\$3,452,122	\$220,000	6.4%	0.0	0.0	0.0

Program Impact:

This will result in the elimination of the Volunteers of America Halcyon Program at mid-year. The 22 clients who currently participate in the program will be transferred to other intensive integrated programs with another provider and remain in the shelter plus care project based housing, which provides housing and services.

7. Program Title:

Mental Health Adults – Wellness, Recovery, Training and Advocacy

Program Description:

Provides services which emphasize self help, peer support, patients' rights, vocational skill development focusing on recovery and self-sufficiency and advocacy services

State Reduction:

Total Budget	Reduction	% Reduced	Total Program FTEs	Reduction in FTEs	% Reduced
\$1,118,621	\$335,783	30%	0.0	0.0	0.0

Program Impact:

This will result in the elimination \$265,783 in funding for the North and South Consumer Self Help Centers, leaving \$264,283 to transfer clients to other programs. The Consumer Self Help Wellness Recovery Center, which is funded through Mental Health Services Act, will receive an augmentation and will offer additional services.

Also, there will be a reduction of \$70,000 from the Mental Health Association, which is comprised of the Adult Mental Health and Child Mental Health contracts, \$317,152 and \$443,655 respectively. This reduction leaves a program balance of \$690,807. The reduction impact is unknown as Mental Health Association will select specific program reductions.

INTRODUCTION RECOMMENDED FISCAL YEAR 2008-09 FINAL BUDGET LETTERS

Attachment 2

Program Title

- 8. Alcohol and Drug Services (CALWORKS) and
- 9. Alcohol and Drug Services (Proposition 36)

Program Description:

Provides Alcohol and Other Drug Prevention and Treatment Services

State Reduction:

Total Budget	Reduction	% Reduced	Total Program FTEs	Reduction in FTEs	% Reduced
\$3,491,943	\$439,996	4.5%	55.2	0.0	0.0
\$5,469,171	\$1,493,927	27.3%			

Program Impact:

The CalWORKs reduction of \$439,996 in funding for contracts with providers for substance abuse treatment services for CalWORKs clients and will increase the number of clients placed on waiting lists for services.

This Substance Abuse and Crime Prevention Act/Offender Treatment Program (Proposition 36) reduction of \$1,493,927 in funding for 106 residential treatment beds, and outpatient treatment services for 350-400 clients which will create a wait list of up to three months. The reduction will also reduce \$484,785 of funding to the Probation Department, who monitor the clients in this program.

10. Program Title:

California Children's Services

Program Description:

Provides specialized medical treatment and therapy services for children with special health care needs

State Reduction:

Total Budget	Reduction	% Reduced	Total Program FTEs	Reduction in FTEs	% Reduced
\$10,989,787	\$1,171,058	10.7%	86.5	10.0	11.6%

Program Impact:

The deletion of these employee positions will impact 4,882 existing clients and approximately 4,875 new applicants to the program by delaying determination eligibility, authorization for medical services, processing provider claims for medical treatment, and delay treatment of serious medical conditions.

11. Program Title:

Health Officer – Public Health Programs

Program Description:

Education programs to prevent Sexually Transmitted Disease (STD) infections, tobacco use, teen pregnancy, and childhood injury

State Reduction:

Total Budget	Reduction	% Reduced	Total Program FTEs	Reduction in FTEs	% Reduced
\$1,243,050	\$30,000	2.4%	8.5	0.0	0.0

Program Impact:

This will result in approximately 250 refugee clients not receiving one-to-one health education sessions and community based health education outreach activities. The outreach services keep County residents healthy and free from preventable disease by reducing the spread of chronic and contagious diseases.

12. Program Title:

Health Officer – Communicable Disease Control

Program Description:

Investigate, monitor, and control outbreaks of communicable disease

State Reduction:

Total Budget	Reduction	% Reduced	Total Program FTEs	Reduction in FTEs	% Reduced
\$2,117,444	\$12,588	0.6%	13.7	0.0	0.0

Program Impact:

This will reduce the ability to educate and inform the community of issues such as Sexually Transmitted Diseases that are of serious concern but can't be covered by emergency funds.

INTRODUCTION RECOMMENDED FISCAL YEAR 2008-09 FINAL BUDGET LETTERS

Attachment 2

DHA State Budget Impact Notes:

Total Reductions: \$7,000,000

FTE: 0

Summary:

	Program	Dollar Reduction	FTE Reduction
1	CalWORKs & Employee Services - Welfare to Work	\$4,000,000	0
2	Medi-Cal & Medical Assistance	3,000,000	0
Total		\$7,000,000	0

1. Program Title:

CalWORKs & Employee Services - Welfare to Work

Program Description:

CalWORKs (California’s Work Opportunity and Responsibilities to Kids) – provides financial support for families with dependent children who experience deprivation due to a parent’s absence, incapacity, death, unemployment, or underemployment. Welfare-to-Work (WtW) is an essential component of CalWORKs, providing necessary training and support services for CalWORKs recipients to help them attain self-sufficiency and end the cycle of poverty.

State Reduction:

Total Budget	Reduction	% Reduced	Total Program FTEs	Reduction in FTEs	% Reduced
\$121.8 million	\$4,000,000	3.3%	0	0	0

Program Impact:

As of November 5th, the Department has not received its CalWORKs allocation from the State. At this point, the Departmental projections forecast at least \$4 million (3.3%) less than the \$121.8 million it had budgeted for CalWORKs funding in FY 2008-09. DHA projections assume the Governor will make no additional mid-year reductions to the CalWORKs allocation.

The Department plans to reduce its appropriations by \$4 million within its CalWORKs program through a combination of salary savings and reductions to contracted services. To this end, the Department will require Director-level approval to hire behind any vacant CalWORKs positions. All hiring decisions will be done on a case-by-case basis with priority placed on positions that help meet our State and Federal mandates. The Department intends to maintain sufficient salary savings through the course of the fiscal year to offset the loss in CalWORKs revenue. These salary savings, coupled with reductions to some CalWORKs contracts, will close the funding gap for CalWORKs.

INTRODUCTION RECOMMENDED FISCAL YEAR 2008-09 FINAL BUDGET LETTERS

Attachment 2

The loss of CalWORKs funding will reduce the Department's ability to issue benefits in a timely manner and provide sufficient welfare-to-work services. By holding positions vacant, the Department may delay the processing of client benefits at a time when demand for DHA's services is increasing; in the past twelve months alone, CalWORKs caseloads have increased by over 2,500 cases, or roughly 9%. The Department will risk non-compliance in meeting federally mandated standards for providing immediate need for our most needy recipients.

In addition, counties are under pressure to dramatically increase their welfare-to-work participation rates or risk Federal fiscal sanctions. The loss of CalWORKs funding will reduce the staff resources and contracted services DHA commits to helping clients gain employment and become self-sufficient. Consequently, reductions to DHA welfare-to-work services will result in more CalWORKs recipients staying on aid for greater periods of time, and this will further generate higher caseloads and larger aid payment costs.

The Department currently has underway efforts to re-engineer its CalWORKs service delivery methods to minimize the impact that the loss of CalWORKs funding has on client services and outcomes.

2. Program Title:

Medi-Cal & Medical Assistance

Program Description:

Medical Assistance (MA) – provides payments to medical service providers for medically necessary health care services for qualified individuals and families.

State Reduction:

Total Budget	Reduction	% Reduced	Total Program FTEs	Reduction in FTEs	% Reduced
\$52.3 million	\$3,000,000	5.7%	0	0	0

Program Impact:

As of November 5th, the Department has received its Medi-Cal allocation from the State but is still awaiting its share of the \$40 million in Medi-Cal caseload growth the Governor budgeted for Fiscal Year 2008-09. At this point, the Department projects to receive \$3 million (5.7%) less than the \$52.3 million it had budgeted for Medi-Cal funding in FY 2008-09. Our projections assume the Governor will distribute the Medi-Cal growth funds budgeted for Fiscal Year 2008-09 and make no additional mid-year reductions to our Medi-Cal allocation.

The lack of Medi-Cal funding will require the Department to hold the equivalent of 45 FTE Medi-Cal positions vacant throughout the fiscal year. This amounts to more than a

10 percent reduction in Medi-Cal staffing despite the fact that Medi-Cal caseloads have increased by over 2,500 cases, or 4.3%, in the past twelve months. The reduction in staffing levels, coupled with the increase in caseloads, will delay the determination of eligibility and potentially delay the medical treatment and services of the neediest within our community. In addition, a backlog of cases will delay reimbursements to hospitals and other medical providers for treatment costs.

The Department currently has underway efforts to re-engineer its Medi-Cal service delivery methods. To this end, DHA is developing plans to consolidate some of its operations to generate economies of scale and promote greater efficiency. The Department also is reconsidering all of its Medi-Cal related activities to determine which it may scale back or eliminate altogether. In addition, the Department is implementing document imaging; by scanning case file information, we will significantly reduce case processing timeframes, improve accuracy, and lower operating costs. These and other efforts will help minimize the impact that the loss of Medi-Cal funding has on client services and outcomes.

INTRODUCTION RECOMMENDED FISCAL YEAR 2008-09 FINAL BUDGET LETTERS

Attachment 2

Probation State Reduction Impacts

Reduction of \$2,214,345 – deletion of 12.0 FTEs

Program	Dollar Reduction	FTE Reduction
Juvenile Mentally Ill Offender Crime Reduction	\$1,350,000	5.0
Mentally Ill Offender Crime Reduction	\$305,560	2.0
California Multi-jurisdictional Methamphetamine Enforcement Team (CAL-MMET)	\$144,000	1.0
Proposition 36 Funding	\$484,785	4.0
Total	\$2,284,345	12.0

Program Title:

Juvenile Mentally Ill Offender Crime Reduction (MIOCR)

Program Description:

The Juvenile MIOCR program provides evidence-based risk/needs assessment at intake, comprehensive multi-disciplinary evaluations and triage case planning, a liaison from Mental Health to expedite Medi-Cal coverage, bridging and long-term Multisystemic Therapy (MST) for offenders, substance abuse treatment for dual diagnosis minors (mental health disorder must be the primary diagnosis), and intensive probation supervision. MST is a family-centered Evidenced Based Practice, which occurs in the home and community settings and addresses a range of family, peer, school, behavioral, and other related factors associated with delinquent youth.

State Reduction Impact:

Total Budget	Reduction	% Reduced	Total Program FTEs	Reduction in FTEs	% Reduced
\$1,350,000	\$1,350,000	100%	5.0	5.0	100%

The Department will continue to fund the Juvenile MIOCR program through December 31, 2008 with unallocated funds from the Youth Offender Block Grant. During this time the Department will try to locate alternative funding; however, if funding is not secured the above-listed positions and the Juvenile MIOCR program unit will cease to exist. Service contracts with Quality Group Homes and River Oak Center for Children will have to be terminated. The Juvenile MIOCR services, which have proven effective at reducing recidivism and supporting clients' ability to function more effectively and remain in the community, will no longer be available to an annual average of 80 youth and 240 family members.

Program Title:

MIOCR

INTRODUCTION RECOMMENDED FISCAL YEAR 2008-09 FINAL BUDGET LETTERS

Attachment 2

Program Description:

In an effort to reduce incarceration amongst mentally ill offenders, the MIOCR program offers community treatment and intensive community supervision. Working collaboratively with a dedicated mental health treatment court and treatment program, the probation officer works closely with the offender to reduce recidivism.

The probation officer supervises 35 mentally ill offenders. The probation officer was trained to work with the specialized population.

State Reduction Impact:

Total Budget	Reduction	% Reduced	Total Program FTEs	Reduction in FTEs	% Reduced
\$330,560	\$305,560	92%	2.0	2.0	100%

These mentally ill offenders will now go back into the adult probation system. *where they may cycle in and out of jail, commit new offenses, or violate their probation.* Mentally ill persons require more attention and time to be successfully reintegrated back into the community. When these offenders are medication compliant, linked with community support and effectively supervised they can be more successful in the community and less of a burden.

The current probation system does not address their mental stability or mental health issues.

Program Title:

California Multi-jurisdictional Methamphetamine Enforcement Team (CAL-MMET)

Program Description:

The California Multi-jurisdictional Methamphetamine Enforcement Team (CAL-MMET) is a partnership of officers from the Sheriff's Department, District Attorney's Office, City Police Departments of Citrus Heights, Elk Grove, Folsom and Sacramento; and the California State Highway Patrol.

CAL-MMET is designed to combat and reduce the production, manufacture, distribution and trafficking of methamphetamine in the Central Valley. The Task Force identifies, investigates, arrests and assists in the prosecution of individuals who commit methamphetamine related crimes.

State Reduction Impact:

Total Budget	Reduction	% Reduced	Total Program FTEs	Reduction in FTEs	% Reduced
\$364,967	\$144,000	40%	2.0	1.0	50%

INTRODUCTION RECOMMENDED FISCAL YEAR 2008-09 FINAL BUDGET LETTERS

Attachment 2

The elimination of a Supervising Probation Officer from the CAL-MMET Task Force will decrease resources targeting individuals who are suspected of being engaged in methamphetamine criminal activity. Surveillances of suspected methamphetamine related individuals and groups to establish probable cause to arrest will be reduced. Local law enforcement agencies will have reduced access to critical “intelligence information” gained through the Probation Officer’s knowledge of probationers. Probation and other local law enforcement agencies will have a reduction of educational services relative to current trends and prevention techniques. The team will lose an expert liaison for narcotics related investigations. The two remaining Deputy Probation Officers on the team will no longer have direct supervision within the Probation Department, they will report to a Sheriff’s Sergeant on the CAL-MMET team.

Program Title:
Proposition 36

Program Description:
Provides supervision for offenders in drug treatment mandated by Proposition 36.

State Reduction Impact:

Total Budget	Reduction	% Reduced	Total Program FTEs	Reduction in FTEs	% Reduced
\$1,459,529	\$484,785	33%	9.0	4.0	44%

Program reductions reduce resources needed for this program - recovery from substance abuse among non-violent adult offenders with a history of drug addiction. Reduction in assessments, referrals to treatment, and supervision and monitoring of treatment progress through verification of attendance and urinalysis. Success is measured by the number of program completions.

Additional Information:

The Department’s proposed budget for FY 08-09 includes a 10% reduction in various state grants. However, the Department did not make any reductions to these programs because the bulk of the programs are mandated services and instead they made reductions to discretionary programs. The programs reduced were NAC, NAB, Informal Supervision, Sienna Vista, and Field Services. Because of these reductions they did not make any reductions to mandated services that are funded with State grants. Instead, they transferred general fund dollars to these budget units to keep them whole.

Sheriff’s Department Impact Notes

Total Reductions: \$701,234

FTE: 1.0

Program Title:

Mentally Ill Offender Crime Reduction Grant - Mental Health Court

Program Description:

The Mental Health Court is a program designed to break the cycle of recidivism among offenders with a mental illness through the provision of in-custody and/or post-custody mental health treatment and support services. The offenders participate in an individualized treatment plan and have their incarceration stayed pending successful completion. This program is funded by a State Mentally Ill Offender and Crime Reduction Grant.

State Reduction:

Total Budget	Reduction	% Reduced	Total Program FTEs	Reduction in FTEs	% Reduced
\$701,234	\$701,234	100%	1.0	1.0	100%

The State has eliminated the grant. The reduced funding results in a reduction of a 1.0 Deputy Sheriff – Limited Term position. There are also corresponding reductions in the Probation Department.

Currently there are 31 directly affected defendants; however, the Court anticipates the graduation of 7 defendants within the next 6 weeks, with monthly incremental reductions over the next 11 months. While the Court remains optimistic, the reality is that a number of these defendants may miss appointments, court appearances, and return with a new offense resulting in termination of their Mental Health Court participation and re-introduction into the criminal justice system.

INTRODUCTION RECOMMENDED FISCAL YEAR 2008-09 FINAL BUDGET LETTERS

Attachment 2

Department of Transportation State Budget Impact Notes

Total Increase: \$2,500,000

FTE: 0.0

Program Title:

Pavement Maintenance Program

Program Description:

Sacramento County’s Pavement Maintenance Program maintains the County’s system of roadways which fall into the following categories; Residential Roads, Collectors, and Arterials.

State Increase:

Initial Budget	Increase	% Increased	Total Program FTEs	Increase in FTEs	% Increased
\$3,500,000	\$2,500,000	71%	0.0	0.0	0%

Program Impact:

The County has an estimated \$350 million backlog in pavement maintenance which is about forty-five percent of the roadway system. The additional funds will be used to overlay existing pavement and we will be able to make some progress on this pavement maintenance backlog.

The final state budget includes a \$63 million appropriation for counties from the Proposition 1B Local Streets and Roads Account for Fiscal Year 2008-09 (AB 88). The County’s portion of the projected revenue is approximately \$2,500,000. When the requested final budget was submitted in early September to the Board, these additional Prop 1B monies were not yet known. At that time we were only aware of AB 1252 which specifically gave counties an additional \$87 million from Prop 1B, equating to Fiscal Year 2008-09 projected revenue for Sacramento County of approximately \$3,500,000. The total revenue is now anticipated to be nearly \$6,000,000.

**COUNTY OF SACRAMENTO
CALIFORNIA**

For the Agenda of:
November 12, 2008
2:00 P.M.

To: Board of Supervisors

From: Department of Probation

Subject: Salary Resolution Amendments Reallocating Various Information Technology Positions In The Probation Department (SRA No. 2009-070B)

Supervisory District: All

Contact: Karen Fuson, Information Technology Manager

Overview

This action will reallocate five (5) positions in the Probation Department's Information Technology Division. These reallocations will allow the department to meet, manage, support and enhance the department's highly complex and industry specific technological needs. All reallocations have been reviewed and approved as appropriate by the Department of Personnel Services.

Recommendation

Approve the attached Salary Resolution Amendments to reallocate the following positions:

1. Reallocate 2.0 IT Technician Level 2 and 1.0 Sr. IT Technician to three 3.0 IT Customer Support Specialist.
2. Reallocate 1.0 Senior Office Assistant to 1.0 Sr. IT Analyst.
3. Reallocate 1.0 Administrative Services Officer 2 to 1.0 IT Manager.

Measures/Evaluation

These reallocations will allow the IT Division and Application Unit to have the structure and proper job classes to manage and support the increased scope and complexity of the numerous services provided to the department, and insure continuity and integrity of the division and programs.

Fiscal Impact

Deletions:

The annual cost of 2.0 IT Technician positions is \$149,606 (\$99,890 salary and \$49,716 benefits).

The annual cost of 1.0 Sr. IT Technician is \$87,698 (\$59,988 salary and \$27,710 benefits).

The annual cost of 1.0 Sr. Office Assistant is \$59,524 (\$39,317 salary and \$20,307 benefits).

The annual cost of 1.0 Administrative Services Officer 2 is \$110,638 (\$77,172 salary and

ATTACHMENT 3

Salary Resolution Amendments Reallocating Various Information Technology Positions In The Probation Department (SRA No. 2009-070B)
Page 2

\$33,466 benefits).

Additions:

The annual cost of 3.0 IT Customer Support Specialists is \$258,259 (\$179,964 salary and \$78,295 benefits).

The annual cost of 1.0 Sr. Information Technology Analyst is \$138,100 (\$97,324 salary and \$40,776 benefits).

The annual cost of 1.0 Information Technology Manager is \$150,375 (\$107,056 salary and \$43,319).

The total net increased cost of the combined reallocations is \$139,168 and will be covered by the cost savings realized through the reduction of contracted staff.

BACKGROUND

Ten years ago, the Probation Department's Technology Division consisted of ten staff. At that time, the Department's use of technology was limited and included managing a few hundred Word templates, email, and connectivity to the County mainframe. Over the past decade, the use of technology has increased exponentially. The division has broadened and advanced services to include building custom software applications to support Probation functions, such as support of security electronics and video surveillance, document imaging, door access and field officer connectivity. The division also supports all forms of communication including radio, VoIP telephones, cellular devices, and redundant server farms and secure data storage.

The Probation Department requests to reallocate 2.0 Information Technology Technician Level 2 positions and 1.0 Sr. Information Technology Technician position to 3.0 Information Technology Customer Support Specialist positions. The reallocation of the Information Technology Technician positions to IT Customer Support Specialist positions will align the duties performed by the incumbents with the appropriate job class.

The Probation Department also requests to reallocate 1.0 Sr. Office Assistant position to a 1.0 Sr. Information Technology Analyst; and 1.0 Administrative Services Officer 2 position to 1.0 Information Technology Manager. These reallocations will allow the department to meet, manage, support and enhance the department's technological needs.

The following actions have been reviewed and approved as appropriate by the Department of Personnel Services.

DISCUSSION

Reallocate two (2) IT Technician Lv 2 positions and one (1) Sr. IT Technician position to three (3) IT Customer Service Specialist positions

The Probation Department utilizes the county Applix system to log and track all computer related trouble calls. Less specific and less complex calls are handled by IT Customer Support Specialists assigned to the OCIT Help Desk. However, over the last three (3) years the number

INTRODUCTION RECOMMENDED FISCAL YEAR 2008-09 FINAL BUDGET LETTERS

ATTACHMENT 3

Salary Resolution Amendments Reallocating Various Information Technology Positions In The Probation Department (SRA No. 2009-070B)
Page 3

of calls OCIT has been able to handle has decreased with the majority of trouble calls being forwarded on to Probation Department Technology Division staff for resolution.

Help Desk Tickets	Total Calls	Handled by OCIT
2005	4,930	55%
2006	5,267	48%
2007	6,892	30%
2008 1 st ½ of year	3,771	22%

Problems forwarded to the Technology Division are handled by incumbents currently filling positions in the IT Technician series. The positions were allocated to the IT Technician class series when the technological support needed by the department was substantially less complex than it is today.

The duties performed by the three (3) incumbents in the Probation Department Technology Division are more closely reflected in the IT Customer Support Specialist Level I/II class. Positions in this class perform customer support duties that include: analyzing and coordinating the resolution to hardware, software, and application problems for all network or stand-alone computer systems and network resources supported by the County of Sacramento. As the primary responders to help desk calls for Probation, the incumbents' duties are more appropriately classified as Customer Support Specialists Level I/II.

Reallocate one (1) Sr. Office Assistant position to one (1) Sr. IT Analyst position

For several years the role of Sr. Information Technology Analyst (Business Analyst) for the Probation Department's Application Development Unit has been performed by contractors. The position is responsible for defining technical specifications, systems analysis, testing and development, contract issues and service level agreements, and planning processes.

The IT Business Analysts position is an expert in the work processes performed throughout the department; incumbents hold a great deal of knowledge regarding how and why existing software applications operate the way they do. A permanent position dedicated to the business analyst function is less expensive and the department retains the in-depth knowledge of Probation systems and work flows.

Reallocate one (1) Administrative Services Officer 2 position to one (1) IT Manager position

The Probation Department Technology Division operates a sophisticated Application Development Unit responsible for design, development and support of numerous specialized departmental applications. All development is done by internal staff with specialized knowledge of Probation's unique data/system security needs, requirements and regulations. Many of these applications allow interaction with other agencies such as the District Attorney's Office, Public Defender, and Sacramento County Courts. The systems and applications collect sensitive data, provide a means of reporting and tracking information, and help insure legal compliance.

INTRODUCTION RECOMMENDED FISCAL YEAR 2008-09 FINAL BUDGET LETTERS

ATTACHMENT 3

Salary Resolution Amendments Reallocating Various Information Technology Positions In The Probation Department (SRA No. 2009-070B)
Page 4

An IT Manager position is required to insure the integrity and continued support of these numerous, complex, mission critical applications. The position will be responsible for all aspects of the Application Development Unit including: managing information technology infrastructure, architecture, systems, software and resources and staff, establishing standards, procedures and practices, consulting with customers and vendors regarding service delivery needs, and preparing and administering the Application Development Unit budget and annual business plans.

FINANCIAL ANALYSIS

Deleted Positions	Salary	Benefit	Total
2.0 IT Technician	\$99,890	\$49,716	
1.0 Sr. IT Technician	\$59,988	\$27,710	
1.0 Sr. Office Assistant	\$39,317	\$20,307	
1.0 Administrative Svc Officer 2	\$77,172	\$33,466	
Total Deleted	\$276,367	\$131,199	\$407,566
Added Positions	Salary	Benefit	
3.0 Customer Support Specialist Lv I/II	\$179,964	\$78,295	
1.0 Sr. IT Analyst	\$97,324	\$40,776	
1.0 IT Manager	\$107,056	\$43,319	
Total Added	\$384,344	\$162,390	\$546,734
Difference (Increased Cost)	(\$107,977)	(\$31,191)	
Total increased cost			\$139,168

Approval of these reallocations will result in a net cost increase of \$139,168. This cost increase will be covered by reductions to expenses in the department's Computer Consultants account. The appropriated contracted staff will be eliminated.

Respectfully submitted,

APPROVED:
TERRY SCHUTTEN

County Executive

Verne Speirs, Chief Probation Officer
Probation Department

By: _____
Penelope Clarke, Administrator
Countywide Services Agency

**BOARD LETTER ATTACHMENT 4
FINAL BUDGET SCHEDULES
INTENTIONALLY EXCLUDED
FROM THIS SECTION**

**(SECTION B - SUMMARY OF
SCHEDULES)**

INTRODUCTION **RECOMMENDED FISCAL YEAR 2008-09 FINAL BUDGET LETTERS**

COUNTY OF SACRAMENTO CALIFORNIA

For the Agenda of:
September 3, 2008
9:30 A.M.

To: Board of Supervisors

From: Terry Schutten
 County Executive

Subject: Recommended Fiscal Year 2008-09 Final Budget

Supervisorial
District: All

Contact: Navdeep S. Gill, Chief Operations Officer, 874-5803
 Linda Foster-Hall, County Budget Officer, 874-2453

RECOMMENDATIONS:

1. Approve the attached Schedules changing the Fiscal Year 2008-09 Adopted Proposed Budget and constituting approval of the Final Budget for Fiscal Year 2008-09 pending the adoption of the State Budget.
2. Approve the reorganization of the Office of Compliance – Health Insurance Portability and Accountability Act (HIPAA) oversight and the County Clerk/Recorders activities to improved continuity of service to both programs.
3. Adopt a Resolution extending the date of the final adoption of the County’s Fiscal Year 2008-09 Budget Resolutions until sixty days after the adoption of the California State Budget.

BACKGROUND:

The Board of Supervisors adopted the Fiscal Year 2008-09 Proposed Budget on June 18, 2008. This year the budget process was changed so that all substantive local items regarding the Fiscal Year 2008-09 Adopted Proposed Budget (including additional requests made by departments and reductions necessary to balance the budget) were dealt with at the Proposed Budget Hearings. The only remaining actions that the Board is required to make during this Final Budget Hearing are:

1. Recognize actual financial results from the previous fiscal year.
2. Approve technical accounting adjustments that have been made to the Adopted Proposed Budget (reflecting an offset to cost as a reimbursement vs. a revenue).

INTRODUCTION RECOMMENDED FISCAL YEAR 2008-09 FINAL BUDGET LETTERS

Recommended Fiscal Year 2008-09 Final Budget

Page 2

3. Conduct a workshop on the Capital Improvement Program.
4. Adopt a Resolution extending the deadline for final adoption of the County's Fiscal Year 2008-09 Budget to sixty days from the date of adoption of the budget for the State of California.

DISCUSSION:

The County's total budget as reflected in the table below is \$5.27 billion. This is growth of approximately 3.7 percent (\$0.188 billion) from the Fiscal Year 2007-08 Final Budget of \$5.08 billion. The largest increase in the budget is for the Airport because of the terminal construction project at the International Airport.

Funds	Appropriations	Financing	Net Cost ¹	Positions
General Fund	\$ 2,198,548,126	\$ 1,583,556,874	\$ 614,991,252	10,480.0
County Library	26,975,960	26,975,960	0	0.0
Economic Development & Intergovernmental Affairs	47,928,599	47,928,599	0	23.8
Environmental Management	22,026,879	22,026,879	0	137.8
Golf Fund	8,922,536	8,922,536	0	9.0
Transient-Occupancy Tax	10,410,186	10,410,186	0	0.0
Transportation	195,492,510	195,492,510	0	0.0
Water Resources	302,830,967	173,116,938	129,714,029	271.0
Airport System	1,166,790,709	166,793,601	999,997,108	414.0
Waste Management and Recycling	97,942,691	97,942,691	0	289.0
Other Operating Funds	249,844,074	249,844,074	0	141.2
Other Enterprise Funds	10,799,395	3,968,206	6,831,189	10.0
Other Internal Service Funds	534,384,222	510,177,303	24,206,919	1,703.1
Other Public Service Enterprise Funds	77,978,448	77,978,448	0	758.0
Other Special Revenue Funds	318,143,920	318,143,920	0	115.5
Total	\$ 5,269,019,222	\$ 3,493,278,725	\$ 1,775,740,497	14,352.4

¹ Net Cost for the General Fund is financed with General Purpose Financing Revenues. Net Cost for other funds are financed with Retained Earnings.

The General Fund is the largest fund in the County Budget at \$2.199 billion. General Fund departments provide a broad range of public services. The County's general purpose financing (\$614.99 million) is allocated to the General Fund to provide the local share of costs for both mandated and discretionary programs. All other funds in the County Budget are financed with earmarked or restricted revenues. While the Board of Supervisors has more discretion over resource allocation and service levels in the General Fund, state and federal mandates on spending severely curtail that discretion and flexibility. Counties are political subdivisions of the State of California and are responsible for the delivery, on a local level, of state and federal services. Most of the funding for these services comes from state and federal sources (approximately two-thirds of all financing in the General Fund comes from other governmental sources).

I. GENERAL FUND FISCAL YEAR 2007-08 YEAR-END RESULTS

After the Fiscal Year 2007-08 financial books closed, the unaudited year-end results indicate that actual total General Fund balance/carryover is \$23.36 million, a decrease of \$5.16 million over the year-end estimate balance/carryover included in the Fiscal Year 2008-09 Adopted Proposed Budget. While many departments/budget units had improvements to year-end carryover beyond estimated projections, there were several departments/budget units that had results worse than originally anticipated. Departments which experienced decreased carryovers compared to their estimates have

INTRODUCTION RECOMMENDED FISCAL YEAR 2008-09 FINAL BUDGET LETTERS

Recommended Fiscal Year 2008-09 Final Budget
Page 3

made adjustments to their spending plans to balance their budgets. The majority of these decreased carryovers identified below were the result of accounting issues that were addressed in the final budget document.

Budget Unit	Department	Amount
4010000	BOARD OF SUPERVISORS	(241,135)
4210000	CIVIL SERVICE COMMISSION	(4,186)
5730000	COUNTY EXECUTIVE CABINET	(1,988)
5750000	CRIMINAL JUSTICE CABINET	(5,553)
5760000	NEIGHBORHOOD SERVICES	(392,101)
5910000	COUNTY EXECUTIVE	(41,056)
6110000	DEPT OF REVENUE RECOVERY	(593)
6400000	REGIONAL PARKS	(63,683)
6610000	PLANNING	(438,988)
6700000	PROBATION	(1,420,686)
7090000	EMERGENCY OPERATIONS	(12,796)
7230000	JUVENILE MEDICAL SERVICES	(18,277)
7400000	SHERIFF	(1,743,510)
7410000	CORRECTIONAL HEALTH SERVICES	(366,889)

Attachments IA and IB reflect the Fiscal Year 2007-08 year-end results for General Fund departments/budget units.

II. STATE BUDGET UPDATE

At the time of this writing, the legislature was continuing budget deliberations. Assuming that a State Budget is passed before the start of County Budget Hearing process, the Office of Budget and Debt Management (OBDM) will present the impacts of the State Budget in the opening remarks.

Additionally, a resolution has been drafted by County Counsel allowing the Board to extend the final adoption of the County's Fiscal Year 2008-09 Final Budget until sixty days from the date of adoption of the State's budget. This additional time will provide the Agency Administrators and staff the opportunity to review the final budget legislation for any actions that impact the county's operations.

In-Home Supportive Services (IHSS)

There is currently a \$10.3 million unfunded cost in the In-Home Supportive Services (IHSS) program. Since January when the governor's budget was submitted, there have been numerous proposals to modify the program and/or the cost sharing elements at the state level. While many of those proposals have not been accepted by the legislative budget committees, there is still uncertainty about what (if any) program reductions will come out of the continuing budget negotiations. Therefore, it is still recommended that the Board not take any action regarding this program until after the State adopts its budget. Depending upon the State's actions, the required additional funding for this program could change. Therefore, it is premature to craft a solution for

Recommended Fiscal Year 2008-09 Final Budget
Page 4

this shortfall at this juncture. Once the State's budget is adopted, the full nature of the issue surrounding this program will be known.

IHSS Task Force

During Proposed Budget Hearings, the Board directed the County Executive to establish an interdepartmental task force to look at various programmatic issues surrounding the IHSS program. Specifically the task force was to come to a common understanding of the program elements, total costs/county share of costs, program growth for Sacramento County compared to regional and statewide trends and the potential for fraud. The task force has been established and has been meeting on a regular basis. The members of the task force include:

- Chief Operating Officer
- County Budget Officer
- Representatives from the Countywide Services Agency
- Representatives from the District Attorney's Office
- Representatives from the Department of Health and Human Services
- Representatives from the Department of Human Assistance
- Representatives from the IHSS Public Authority
- Consultants and subject matter experts as necessary

The task force will report back to the Board with their findings in approximately four months.

The Department will report back to the Board on a quarterly basis (beginning in September 2008) with their monitoring efforts of caseloads, hours and the net cost to the county of the IHSS program.

**III. SUMMARY OF NET COST ADJUSTMENTS IN THE GENERAL FUND TO THE
ADOPTED PROPOSED BUDGET FOR THE RECOMMENDED FINAL BUDGET**

Historically, there are various adjustments in the net cost of the General Fund after the adoption of the Proposed Budget. These adjustments are generally the result of departmental changes associated with fully-funded program augmentations or grants, unavoidable cost increases in existing base programs, changes in state allocations and/or carryover. The departments and agency staff have worked to reduce these types of changes between the Adopted Proposed budget and the Final Recommended budget. This year, there was very little betterment other than those associated with the recognition of fund balance resulting in no additional funding available to offset any additional program growth. (See Attachment II for details).

INTRODUCTION RECOMMENDED FISCAL YEAR 2008-09 FINAL BUDGET LETTERS

Recommended Fiscal Year 2008-09 Final Budget
Page 5

IV. SUMMARY OF FISCAL YEAR 2008-09 RECOMMENDED FINAL BUDGET

The following table summarizes the 2008-09 Recommended Final Budget for the General Fund:

2008-09 Recommended Final General Fund Budget							
(Amounts Expressed in millions)							
Program	Appropriations	Estimated Revenues	Net Cost	Carry-Over	Allocation	2008-09 Percent of Allocation	2007-08 Percent of Allocation
<u>ELECTED OFFICIALS</u>							
Assessor	\$ 16.14	\$ 6.27	\$ 9.87	\$ 1.87	\$ 8.00	1.38%	0.70%
Board of Supervisors	4.87	0.73	4.14	0.33	3.81	0.66%	0.61%
District Attorney	72.01	24.11	47.90	0.99	46.91	8.10%	6.61%
Sheriff	362.21	189.41	172.80	(5.19)	177.99	30.73%	28.63%
Correctional Health Services	42.98	20.83	22.15	(0.22)	22.37	3.86%	3.15%
SUBTOTAL	\$ 498.21	\$ 241.35	\$ 256.86	\$ (2.22)	\$ 259.08	44.73%	39.72%
<u>COUNTYWIDE SERVICES</u>							
Child Support Services	\$ 32.46	\$ 32.39	\$ 0.07	\$ -	\$ 0.07	0.01%	0.02%
Health and Human Services	492.61	452.07	40.54	1.01	39.53	6.83%	6.90%
Health Treatment Account	43.39	20.44	22.95	0.00	22.95	3.96%	3.81%
Human Assistance-Admin.	277.90	245.62	32.28	2.85	29.43	5.08%	5.70%
Human Assistance-Payments	385.67	343.09	42.58	0.00	42.58	7.35%	7.06%
IHSS Provider Payments	62.78	49.53	13.25	0.00	13.25	2.29%	2.20%
Probation	128.01	56.90	71.11	1.50	69.61	12.02%	10.03%
Public Defender	28.26	1.09	27.17	0.80	26.37	4.55%	4.12%
Other	117.56	44.94	72.62	3.01	69.61	12.02%	12.18%
SUBTOTAL	\$1,568.64	\$1,246.07	\$ 322.57	\$ 9.17	\$ 313.40	54.11%	52.03%
<u>GENERAL</u>							
GOVERNMENT/COO	\$ 48.60	\$ 13.11	\$ 35.49	\$ 15.53	\$ 19.96	3.45%	-0.06%
INTERNAL SERVICES	54.26	51.61	2.65	0.03	2.62	0.45%	6.96%
MUNICIPAL SERVICES	35.87	21.69	14.18	0.85	13.33	2.30%	2.44%
CONTINGENCIES	3.00	0.00	3.00	0.00	3.00	0.52%	0.83%
RESERVE CHANGES	(32.24)	0.00	(32.24)	0.00	(32.24)	-5.57%	-1.92%
TOTAL	\$2,176.34	\$1,573.83	\$ 602.51	\$ 23.36	\$ 579.15	100.00%	100.00%

The total requirement for departmental appropriations and the recommended reserve increases are just over \$2.19 billion. Approximately 93.1 percent of total appropriations (spending) are for departments of elected officials and for countywide services programs. All other programs, the contingency, and the reserve decreases amount to 6.91 percent of the total appropriations. Most of the General Government and Human Resources programs provide at least some support to the elected department heads and countywide services programs.

The financing for the expenditures and reserves may be summarized:

INTRODUCTION **RECOMMENDED FISCAL YEAR 2008-09 FINAL BUDGET** LETTERS

Recommended Fiscal Year 2008-09 Final Budget
Page 6

(Amounts Expressed in Millions)

DEPARTMENTAL REVENUES	\$1,573.84	71.59%
DEPARTMENTAL CARRYOVER	\$9.72	0.44%
NON DEPARTMENTAL REVENUE	\$614.99	27.97%
	\$2,198.55	100.00%

Over 71 percent of the financing comes from departmental revenues which are predominately from state and federal sources. Departmental carryover of \$9.72 million represents 0.44 percent of total financing and is being made available for departmental use.

The general purpose financing is not dedicated to any specific program or function. The general purpose financing makes up 27.9 percent of overall financing in the General Fund and consists of non-departmental general revenues (such as property tax, sales tax, vehicle license fees, utility tax, etc.), transfers in from other funds, and reserve changes. Certain expenditures, such as interest expense on the annual cash-flow borrowing and tax collection fees, are netted against the financing sources.

V. RECOMMENDED INCREASES/DECREASES TO GENERAL FUND RESERVES BETWEEN ADOPTED PROPOSED AND RECOMMENDED FINAL BUDGET

Departmental Carryover Reserve

OBDM normally recommends that any additional carryover for General Fund departments generated between Proposed and Final Budget Hearings be added to our General Fund reserves as a financing source for the next fiscal year. This budget policy was established by the Board in February 2003, and has been followed for the past four fiscal years. However, this year, in order to balance the proposed budget, an additional \$8.6 million of departmental carryover was already budgeted in the Adopted Proposed Budget. At that time, it was acknowledged that if the departments saved more than the \$8.6 million, an additional carryover reserve would be established. However, once the Fiscal Year 2007-08 year-end balances were known, department's overall carryover decreased by an aggregate of \$6.96 million. Therefore, there will be no earmarking of carryover for departments to use as a funding offset for Fiscal Year 2009-10.

Teeter Reserve

At the end of Fiscal Year 2007-08, the secured and unsecured property tax delinquencies were higher than anticipated. As a result, pursuant to statutory requirements, the Teeter Tax Loss Reserve was increased by \$3,289,955 to \$19,540,733 for Fiscal Year 2008-09. The Tax Loss Reserve is a statutory prerequisite of the Teeter Plan and has no relationship to the borrowing through the Treasurer's Pooled Fund.

VI. TRANSIENT-OCCUPANCY TAX (TOT) FUND -- ALLOCATIONS TO COMMUNITY AND CIVIC PROGRAMS

The total available financing for Fiscal Year 2008-09 is \$10,410,186, an increase of \$807,913 from the Adopted Proposed Budget. This increase is largely due to an increase in year-end fund balance of \$730,875 that is the result of an accounting error that failed to encumber funds for year-end

Recommended Fiscal Year 2008-09 Final Budget
Page 7

rollover. The fund balance for Fiscal Year 2007-08 (\$77,038) is being recommended to support Economic Development operations. (See Attachment III)

VII. FISCAL YEAR 2007-08 YEAR-END RESULTS FOR OTHER FUNDS

Community Services Fund

Community Services (Budget Unit 860000) (Fund 012) fund balance was \$216,659 greater than estimated for the Adopted Proposed Budget which resulted in a \$216,659 reduction in General Fund transfers to this budget unit.

Economic Development and Intergovernmental Affairs Fund

The year-end fund balance decreased by \$2,096,231 due to a combination of less overall revenues (approximately \$6,000,000) and less expenditures than anticipated in Fiscal Year 2007-08 (approximately \$4,000,000, after being adjusted for encumbrances).

The decrease in revenues of approximately \$6,000,000 is mainly due to less revenue activity at McClellan.

The decrease in expenditures, adjusted for encumbrances, of approximately \$4,000,000 is mainly due to various expenses, anticipated in Fiscal Year 2007-08, but now budgeted to be expended in Fiscal Year 2008-09, for the divisions of McClellan (approximately \$3,200,000), Mather (approximately \$300,000) and the Economic Development Special Projects Fund (approximately \$500,000).

Fiscal Year 2008-09 appropriations and revenues have been adjusted accordingly to account for the decreased fund balance.

Tobacco Litigation Settlement Fund

On November 15, 2005, the Board approved refinancing the 2001 Tobacco Litigation Settlement Bond, to reduce the County debt service on prior bonds. Under the original deallocation schedule, the County was able to fund county-operated programs in the Tobacco Litigation Settlement endowment program. Based on the current deallocation schedule, only new and expanded programs by tax-exempt qualified nonprofits organizations other than the County itself, or qualified capital projects can be funded with the original 2001 Bonds.

To mitigate the problem caused by ending the funding generated from the original Bonds, the Board approved passing normal capital/maintenance costs through the Tobacco Litigation Settlement Fund (Fund 008A) to “free-up” other county funds for the programs originally funded by the Tobacco Litigation Settlement revenues.

The Fiscal Year 2007-08 fund balance increased by \$93,262 primarily due to an increase in unanticipated interest earnings of \$139,159 and an increase in Tobacco Cessation Program contract

INTRODUCTION RECOMMENDED FISCAL YEAR 2008-09 FINAL BUDGET LETTERS

Recommended Fiscal Year 2008-09 Final Budget
Page 8

payments of \$45,897. A release of reserves in the amount of \$4,679,635 is necessary to fund the Fiscal Year 2008-2009 budget leaving a remaining reserve balance of \$36,127,376

Teeter Fund

The Teeter Plan of Tax Apportionment fund balance was \$19,605,103 or \$12.86 million higher than anticipated. The significant increase in available fund balance is due to higher than anticipated delinquent tax collection at year end. The fund balance will be used to finance Fiscal Year 2008-09 debt service payments on July 1, 2008.

Golf Fund

Fund balance decreased by \$98,605 due to lower than anticipated revenues. An appropriation decrease of \$1,808 reflects a reduction in budgeted cost of living adjustments, group insurance, facility and surplus property charges. A revenue increase of \$96,797 reflects increases in food and recreational concession revenues, an increase in green fees effective January 2009 and the Department of General Services refund of retained earnings.

Insurance Funds

The County utilizes three separate funds to accumulate charges and payments for Workers' Compensation Insurance, Liability/Property Insurance, and Unemployment Insurance. The County is basically self-insured for Workers' Compensation Insurance and Liability/Property Insurance; however, the County does purchase additional coverage above the self-insured retention levels of \$2.0 million. All three insurance funds are financed through a combination of charges to county departments and retained earnings.

Charges to county departments for all three insurance funds are determined on the basis of each department's claims experiences and exposure. The County has several higher risk services, particularly in the provision of municipal services to the Unincorporated Area. The following table reflects adopted insurance funds charges for the 2007-08 Fiscal Year and recommended charges for the 2008-09 Fiscal Year:

Insurance Funds Charges			
	Adopted 2007-08	Recommended 2008-09	Variance
Workers' Compensation	38,579,882	30,407,887	-8,171,995
Liability/Property	19,178,656	20,461,935	1,283,279
Unemployment	<u>2,029,068</u>	<u>2,021,133</u>	<u>-7,935</u>
TOTAL	59,787,606	52,890,955	-6,896,651

Overall recommended charges are lower for Fiscal Year 2008-09.

Cost reductions in the Workers' Compensation Insurance program are due primarily to reductions in legal services, reporting services and workers compensation payments. In addition, a reserve

Recommended Fiscal Year 2008-09 Final Budget
Page 9

provision of \$5.0 million was eliminated and an additional \$2.0 million reduction in charges was passed through to county departments.

Costs for the Liability/Property Insurance program have increased as the result of increased insurance premium costs.

Cost reductions in the Unemployment Insurance program are primarily attributable to reductions in unemployment claim expenses, actuarial services and benefit services. In addition, \$1.2 million in retained earnings was rebated to county departments.

VIII. FISCAL YEAR 2007-08 YEAR-END RESULTS FOR CAPITAL CONSTRUCTION FUND

The Capital Construction Fund (CCF) typically budgets projects based on anticipated expenditures. Often the design, engineering and construction are not completed within the fiscal year in which a project is authorized, or, on occasion, the succeeding fiscal year. Those encumbered funds have a significant effect on the fund balance. When a large project is financed, CCF typically provides the financing for the expense and receives reimbursement for those expenses. Since the revenue is received in arrears, it is not listed as a balancing entry for the encumbrance. This may have the effect of creating a large negative fund balance.

Also prior to Fiscal Year 2002-03, construction contract encumbrances were liquidated at year-end and then rebudgeted, which resulted in a fund balance unaffected by multiyear construction contracts. That practice was changed in Fiscal Year 2002-03. From that point on, multiyear construction contracts have been encumbered for the entire amount of the contract, negatively impacting year-end fund balances.

In Fiscal Year 2007-08, multiyear construction projects were awarded including the Juvenile Hall 120-Bed Expansion, the New Animal Care Facility and Phase III of the Juvenile Hall Expansion and Modification project. As a result of the award of these multiyear construction projects and other encumbrances, CCF ended the fiscal year with a negative fund balance of \$25,825,939. The Recommended Final Budget has been adjusted to account for the decrease in fund balance.

IX. FISCAL YEAR 2007-08 YEAR-END RESULTS FOR MUNICIPAL SERVICES AGENCY (MSA) GOVERNMENTAL/ENTERPRISE FUNDS

MSA adjustments to the Recommended Final Budget generally reflect changes resulting from the Fiscal Year 2007-08 Available Fund Balance at year-end. Overall, there is a net decrease in appropriations of \$31.8 million with total appropriations exceeding \$89.4 million.

County Roads, Roadways, and Transportation Sales Tax increased by \$32.5 million. These funds involve a construction program that is adopted as a long-range plan (five to seven years) and are managed through a series of approved annual expenditure plans. Due to the multiple-year demands of the projects, the annual budget represents the portion of the five to seven year construction plan that can reasonably be accomplished in the current fiscal year. Actual project expenditures generally differ from the budget due to many factors affecting project life cycles, i.e. environmental

Recommended Fiscal Year 2008-09 Final Budget
Page 10

issues, public discussion, legal opinions, right-of-way acquisitions, availability of consultants and contractors, and weather. Consequently, adjustments are almost entirely due to the necessity of rebudgeting for work that was planned, but could not be accomplished, in Fiscal Year 2007-08.

Water Agency and Stormwater Utility District fund appropriations have decreased by \$60.9 million primarily due to an overstatement of construction costs resulting from the encumbrance of the full contract amount for the Vineyard Surface Water Treatment Plant in the Water Agency Enterprise Fund. Due to the encumbrance of the full contract amount, those costs no longer needed to be included in the 2008-09 final budget appropriations. Other funds within the Water Agency and Stormwater Utility experienced some adjustments due to shifting project timelines.

Special district budgets administered by the Infrastructure and Finance Section have decreased \$10.3 million. The majority of this decrease can be attributed to decreased special assessment revenues and activities in the Metro Air Park Community Facilities District (CFD), Metro Air Park Service Tax, North Vineyard Station Specific Plan and Laguna CFD.

An increase of \$9.0 million in the Solid Waste Enterprise is primarily due to a recently approved collection and tipping fee increase and one-time transfer of retained earnings from General Services as well as a year end fund balance increase related to various position vacancies including the Director of Waste Management and Recycling and the deferral of the use of Solid Waste Authority Franchise fee revenues from Fiscal Year 2007-08 to Fiscal Year 2008-09.

Water Quality's Sacramento Area Sanitation District and Sacramento Regional County Sanitation District budgets decreased a total of \$2.0 million due to reductions resulting from the decrease of 0.1 percent in the cost of living adjustment and additional reductions associated with vacancy levels.

Miscellaneous changes in the remaining MSA funds resulted in a net decrease of \$0.1 million and include changes in labor rates, service agreements and equipment needs.

The changes between the Proposed and Final Budget for MSA in the Governmental and Enterprise funds are summarized in Attachment IV.

X. FISCAL YEAR 2007-08 YEAR-END RESULTS FOR AIRPORTS ENTERPRISE

Sacramento County Airport System

Ending working capital for Fiscal Year 2007-08 increased by \$331,187,245 due to the issuance of new bonds. The increased working capital plus additional bond proceeds in Fiscal Year 2008-09 will fund the Terminal Modernization Program to accommodate future growth of the Airport System, as well as projects that will extend the useful life of airport facilities.

XI. FISCAL YEAR 2007-08 YEAR-END RESULTS FOR SPECIAL DISTRICTS

All district budgets as submitted are balanced. Following is a brief summary of year-end results for the county's special districts (See Attachment V):

Recommended Fiscal Year 2008-09 Final Budget
Page 11

CSA 4B

Fund balance decreased by \$29,005 due to higher than anticipated expenditures and lower revenues. An appropriation decrease of \$29,005 reflects reduced maintenance services.

CSA 4C

Fund balance decreased by \$40,287 due to higher than anticipated expenditures. An appropriation decrease of \$40,287 reflects reduced maintenance services. Revenues increased \$43 due to the Department of General Services refund of retained earnings.

CSA 4D

Fund balance increased by \$2,780 due to lower than anticipated expenditures. The reserve release has been reduced by \$2,780 due to the increased available financing.

Del Norte Oaks Park Maintenance District

Fund balance increased by \$1,174 due to lower than anticipated expenditures and higher revenues. The reserve provision has increased by \$1,174 due to the increased available financing.

Fish and Game Propagation

Fund balance increased by \$13,557 due to lower than anticipated expenditures. The reserve release decreased \$13,363 and reserve provision increased \$194 due to the higher fund balance.

Carmichael Recreation and Park District

Fund balance decreased by \$1,228,286 due to the encumbrance of funds for the Patriots Park construction project during 2007-08 and less than anticipated revenues. An appropriation decrease of \$29,270 reflects increases in salaries and benefits due to cost of living adjustments and the addition of 1.0 Payroll/Account Clerk position, increased maintenance and other miscellaneous services and supplies, capital improvement accounts for projects at various district sites; offset by reduced costs for the Patriots Park project funded in 2007-08. Revenues increased by \$1,200,402 due to increased grants, in-lieu taxes, recreation service charges and the Department of General Services refund of retained earnings. The reserve provision increased by \$1,404 due to increased available financing.

Mission Oaks Recreation and Park District

Fund balance increased by \$305,368 due to lower than anticipated expenditures and higher revenues from property taxes, recreation programs and facility rentals. An appropriation increase of \$331,866 reflects the deletion of 1.0 Park Maintenance Supervisor and the addition of 2.0 Sr. Park Maintenance Worker positions, extra help staffing for Building Bridges program, and replacement of equipment and vehicles; offset by reductions to various service and supply accounts. Revenues increased by \$338,000 due to increased building rental income and state grant funding for Building

Recommended Fiscal Year 2008-09 Final Budget
Page 12

Bridges program; offset by a reduction in leased property charges. The reserve release decreased by \$165,589 and the reserve provision increased by \$157,155 due to the increased available financing.

Mission Oaks Maintenance/Improvement District

Fund balance increased by \$1,185,386 due to reduced expenditures and additional revenue from grant reimbursements, assessment revenue and wireless communication facility leases, and a reserve provision that was not posted in 2007-08. An appropriation increase of \$84,000 reflects increased water charges transferred from the operating budget, new equipment purchases, increased contract patrol services and increases in various maintenance and improvement projects, offset by reductions in planning costs, equipment replacement and contingency appropriation. Revenues have increased by \$11,000 due to new lease revenue, offset by reductions in interest income and reimbursement for maintenance projects. The reserve release decreased by \$42,629 and the reserve provision increased by \$1,069,757 due to increased available financing.

Sunrise Recreation and Park District

Fund balance increased by \$138,931 due to lower than anticipated expenditures. An appropriation increase of \$241,142 reflects increases in salaries for staffing an after school program, insurance liability costs, fuel costs, improvements at various sites and new equipment purchases, offset by a decreased contingency appropriation. Revenues have increased by \$102,210 due to increased grant funding for after school program, trust fund fees and in-lieu assessment fees, offset by a reduction in property tax, state grant funding and miscellaneous revenues.

Antelope Assessment District

Fund balance increased by \$737,148 due to lower than anticipated expenditures. An appropriation increase of \$737,148 reflects an increase in contingency appropriation.

Natomas Fire District

Fund balance increased by \$507,041 due to a year-end actual revenues for 2007-08 coming in \$365,479 higher than budgeted and expenditures coming in \$141,562 lower than projected for Fiscal Year 2007-08.

XII. STRATEGIC PLAN

In an ongoing effort to align the budget priorities with the Board strategic objectives, OBDM has expanded the budget program database to include the strategic objectives that the Board adopted on April 18, 2006. The entire county budget, including the enterprise and internal service funds, is tracked and reported to the Board by the six major strategic issues.

INTRODUCTION RECOMMENDED FISCAL YEAR 2008-09 FINAL BUDGET LETTERS

Recommended Fiscal Year 2008-09 Final Budget
Page 13

Strategic Issue	Appropriations	Estimated Financing	Net Cost	Percent Net Cost	Positions
Strong and Healthy Families	\$ 1,337.50	\$ 1,196.13	\$ 141.37	8%	5,021.4
Law and Justice	857.9	452.7	405.2	23%	4,113.9
Transportation	1,423.6	423.5	1,000.1	56%	775.0
Public Health and Safety	606.7	463.9	142.8	8%	1,976.3
Sustainable and Livable Communities	238.0	221.5	16.5	1%	356.5
Economic Growth	55.8	51.5	4.3	0%	66.0
General Government	9.1	13.8	(4.7)	0%	175.3
Internal Services	740.3	670.2	70.1	4%	1,868.0
GRAND TOTAL	\$ 5,268.90	\$ 3,493.28	\$ 1,775.62	100%	14,352.4

¹ Net Cost for the General Fund is financed with General Purpose Financing Revenues. Net Cost for other funds are financed with Retained Earnings.

Last year the Board also asked that the year to year changes in net costs and positions be reported.

Strategic Issues	FY 2007-08		FY 2008-09		Year to Year	
	Net Cost	Positions	Net Cost	Positions	Net Cost	Positions
Strong and Healthy Families	\$ 122.90	5,082.8	\$ 141.39	5,021.4	\$ 18.49	(61.35)
Law and Justice	382.61	4,147.4	405.24	4,113.9	22.63	(33.50)
Transportation	543.75	772.0	1,000.06	775.0	456.32	3.00
Public Health and Safety	324.66	2,042.0	142.81	1,976.3	(181.85)	(65.70)
Sustainable and Livable Communities	16.47	416.2	16.52	356.5	0.04	(59.65)
Economic Growth	4.54	73.1	4.30	66.0	(0.24)	(7.10)
General Government	15.14	48.6	(4.64)	175.3	(19.77)	126.70
Internal Services	77.19	1,952.4	70.06	1,868.0	(7.13)	(84.40)
GRAND TOTAL	\$ 1,487.25	14,534.5	\$ 1,775.74	14,352.4	\$ 288.49	(182.00)

1. The most significant increase was in Transportation caused predominately from the increased appropriation associated with the Terminal Modernization Project.
2. The decrease in net cost for Public Health and Safety is predominately the result of the changes in appropriations for the Water Agency and Stormwater Utility District. The changes reflect changes in construction costs for the Vineyard Surface Water Treatment Plant in the Water Agency Enterprise Fund.
3. There are two issues that are affecting the change in positions between the fiscal years>
 - a. The centralization of the Department of Personnel Services has resulted in an increase in positions in the General Government category and the reduction of a like number of positions throughout the various other strategic categories.
 - b. The overall decrease in position is the result of the various program changes that the Board enacted at the Proposed Budget Hearings in June 2008.

XIII. COUNTY CLERK/RECORDER AND OFFICE OF COMPLIANCE RECORDS RETENTION JOINT EFFORT

When the County Clerk/Recorder Department was established in 2005 it was anticipated that existing staff would be able to assist with a countywide records retention program; however, since a 2007 legislative action added the Social Security Number Truncation program, the County Clerk/Recorder has been unable to complete a comprehensive inventory of records due to staff constraints. In its Fiscal Year 2008-09 Proposed Budget the Board of Supervisors approved three additional positions for the County Clerk/Recorder to assist in the countywide effort.

Subsequently an analysis was conducted to see if savings could be realized by combining the activities of the Office of Compliance related to HIPAA oversight and the countywide records

Recommended Fiscal Year 2008-09 Final Budget
Page 14

retention program. This analysis supported the combination as the result of improved continuity of service to both programs, creation of adequate redundancy for the complete support of HIPAA oversight and an enhanced countywide records management program.

To effectuate the combining of these efforts the three positions approved for the County Clerk/Recorder in the Fiscal Year 2008-09 Proposed Budget will be reallocated to two positions and transferred to the Office of Compliance. The budgetary change will be reduced costs of \$56,934 to the Department of Health and Human Services (DHHS) due to economies realized by the combination and assignment of costs to the County Clerk/Recorder previously charged to DHHS. The new activities in the Office of Compliance will be supported using dedicated funds under Government Code Section 27361.4(a) as appropriate to the extent that the efforts benefit the County Clerk/Recorder.

There will be no additional general fund costs as a result of implementing the above operational change.

XVI. REPORT BACK FROM THE COUNTY EXECUTIVE ON THE PROVISION OF INDIGENT DEFENSE AND REPRESENTATION OF CONFLICTS AND/OR OVERLOADS IN THE PUBLIC DEFENDERS OFFICE.

During the Proposed Budget Hearings the Board requested a report back on the various options of providing indigent defense and representation of conflicts and/or overloads. The research on this item has not been finalized. It is anticipated that the report will be finalized within the next six months.

XVII. ADOPTION OF BUDGET RESOLUTIONS

Following the conclusion of this Final Budget Hearing, it is recommended that the Board adopt a resolution extending the date of the final adoption of the County's Fiscal Year 2008-09 Final Budget until sixty days after the adoption of the California State Budget. Once the State's spending plan is finalized, staff will quickly review the impacts and return to the Board with any additional modifications necessary to finalize the County's document. At the conclusion of that discussion the Board will direct the Department of Finance to prepare the annual budget resolutions for adoption. Generally the Department of Finance will return within two to three weeks with the final resolutions for the Board's approval.

XVII. SCHEDULE FOR FINAL BUDGET HEARINGS

Following is the schedule for the Final Budget Hearings:

September 3, Wednesday 9:30 a.m.	<u>Overview, Recognition of Fund Balance</u> <u>Five-Year Capital Improvement Plan</u>
September 11, Thursday 9:30 a.m.	<u>Continue Final Deliberations (if necessary)</u>

INTRODUCTION RECOMMENDED FISCAL YEAR 2008-09 FINAL BUDGET LETTERS

Recommended Fiscal Year 2008-09 Final Budget
Page 15

Respectfully submitted,

TERRY SCHUTTEN
County Executive

LFH: sf

cc: County Counsel; Agency Administrators; Department Heads; County Executive Analysts;
Department Administrative and Fiscal Staff

Attachments

- I-A. Fund Balance Analysis, Year-End Results For General Fund Departments
- I-B. Changes In Carryover Between Proposed And Final Recommended, Carryover Reserve For Certain General Fund Budget Units
- II. Summary of Net Cost Adjustments In The General Fund To The Adopted Proposed Budget
- III. Transient-Occupancy Tax Fund Allocation Summary
- IV. Municipal Services Agency's Governmental/Enterprise Funds Financing Changes
- V. Special Districts Budget Summaries
- VI. Final Budget Schedules (Binders)

INTRODUCTION RECOMMENDED FISCAL YEAR 2008-09 FINAL BUDGET LETTERS

County of Sacramento

Changes in Carryover Between Proposed and Final Recommended

FUND	BU	NAME	Dept Carryover Final 2007-08	Dept Carryover Proposed Budget 2007-08	Department Carryover Change	Department Reductions/Usage	One-Time Additional Allocation	Total
001A	3610000	ASSESSOR	1,867,208	1,638,777	(228,431)	0	0	228,431
001A	4010000	BOARD OF SUPERVISORS	332,840	573,975	(241,135)	0	120,505	0
001A	5800000	DISTRICT ATTORNEY	988,966	694,581	(294,385)	0	0	294,385
001A	7400000	SHERIFF	(5,187,522)	(3,444,012)	(1,743,510)	0	0	0
001A	7410000	CORRECTIONAL HEALTH SERVICES	(2,177,031)	149,858	(3,668,889)	(3,668,889)	0	0
		Subtotal - ELECTED OFFICIALS	(2,215,539)	(386,821)	(1,828,718)	(2,231,029)	120,505	522,816
001A	4210000	CIVIL SERVICE COMMISSION	13,031	17,217	(4,186)	0	841	0
001A	4810000	COUNTY COUNSEL	785,677	530,290	(255,387)	0	0	255,387
001A	5710000	DATA PROCESSING-SHARED SYSTEMS	669,064	669,064	0	0	0	0
001A	5730000	COUNTY EXECUTIVE CABINET	(1,988)	0	(1,988)	0	0	0
001A	5760000	CRIMINAL JUSTICE CABINET	223,284	228,847	(5,563)	0	0	0
001A	5910000	COUNTY EXECUTIVE	573,389	614,425	(41,036)	0	0	0
001A	5970000	LABOR RELATIONS	94,481	69,160	(25,321)	0	0	25,321
001A	7090000	EMERGENCY OPERATIONS	(485,714)	(452,918)	(12,796)	0	0	0
		Subtotal - GENERAL GOVERNMENT	1,891,214	1,676,085	(215,129)	(64,738)	841	280,708
001A	3290000	DEPARTMENT OF FINANCE	20,000	0	20,000	0	0	0
001A	3240000	COUNTY CLERK/RECORDER	(628)	0	(628)	0	0	0
001A	5740000	OFFICE OF COMPLIANCE	14,824	0	14,824	0	0	14,824
001A	6110000	DEPT OF REVENUE RECOVERY	(693)	0	(693)	0	0	0
		Subtotal - INTERNAL SERVICES	33,403	0	33,403	18,579	0	14,824
001A	2820000	VETERANS FACILITY	3,622	390	3,322	0	0	3,322
001A	3210000	AG COLN SEALER OF WTS & MEASURES	393,687	365,636	30,051	0	0	30,051
001A	3240000	WOLUFE SERVICES	7,489	0	7,489	0	0	7,489
001A	3310000	COOPERATIVE EXTENSION	50,000	100	50,000	0	0	50,000
001A	4410000	VOTER REGISTRATION/ELECTIONS	7,432	0	7,432	0	0	7,432
001A	4620000	CONTRIBUTION TO THE LAW LIBRARY	110,154	1,146	1,036	0	0	1,036
001A	4610000	CORONER	1,113,376	100,000	1,013,376	0	0	1,013,376
001A	5020000	COURT/ NON-TRIAL COURT FUNDING	257,815	953,596	(695,781)	0	0	695,781
001A	5040000	COURT/COUNTY CONTRIBUTION	50,107	257,815	(207,708)	0	0	207,708
001A	5050000	CT PAID COUNTY SERVICES	190,042	0	190,042	0	0	190,042
001A	5510000	CONFLICT CRIMINAL DEFENDERS	50,107	70,519	(20,412)	0	0	20,412
001A	5520000	DISPUTE RESOLUTION PROGRAM	595	0	595	0	0	595
001A	5610000	CHILD SUPPORT SERVICES	156,722	0	156,722	0	0	156,722
001A	5810000	PROBATION	0	2,914,598	(2,914,598)	0	0	2,914,598
001A	6700000	CARE IN HOMES AND INSTITUTIONS	610,887	198,356	412,531	0	0	412,531
001A	6910000	PUBLIC DEFENDER	800,367	462,252	338,115	0	0	338,115
001A	7200000	HEALTH AND HUMAN SERVICES	1,013,708	0	1,013,708	0	0	1,013,708
001A	7230000	JUVENILE MEDICAL SERVICES	48,320	66,597	(18,277)	0	18,277	0
001A	8100000	HUMAN ASSISTANCE-ADMIN	2,849,859	0	2,849,859	0	0	2,849,859
		Subtotal - COUNTYWIDE SERVICES	9,164,627	5,547,637	(3,616,990)	(1,319,343)	18,277	4,845,610
001A	3220000	ANIMAL CARE AND REGULATION	233,808	200,000	33,808	0	0	33,808
001A	5690000	ENVIRONMENTAL REVIEW	538,433	101,000	437,433	0	0	437,433
001A	5760000	NEIGHBORHOOD SERVICES	291,299	683,400	(392,101)	0	0	392,101
001A	6400000	REGIONAL PARKS	(42,389)	21,295	(63,683)	0	0	63,683
001A	6610000	PLANNING	(177,346)	261,642	(438,988)	0	0	438,988
		Subtotal - MUNICIPAL SERVICES	843,806	1,267,337	(423,531)	(457,339)	0	33,808
		DEPARTMENTAL CARRYOVER:						
		Departmental Carryover	9,717,511	8,104,238	1,613,273	(4,053,870)	139,623	5,806,766
		Additional Departmental Carryover	0	2,880,000	(2,880,000)	0	0	(2,880,000)
		Departmental Carryover Due to Reduced Workers' Comp Changes	0	5,198,301	(5,198,301)	0	0	(5,198,301)
		Departmental Carryover Due to Reduced Unemployment Ins Changes	0	495,707	(495,707)	0	0	(495,707)
		Subtotal-Departmental Carryover	9,717,511	16,678,246	(6,960,735)	(4,053,870)	139,623	(2,767,242)
		NON-DEPARTMENTAL CARRYOVER:						
		Non-Departmental Carryover	(2,338,574)	1,310,379	(3,648,953)	0	0	(3,648,953)
		Non-Departmental Revenues	2,752,337	1,689,712	1,062,625	0	0	1,062,625
		Non-Departmental Costs	1,631	45,096	(43,465)	0	0	(43,465)
		Public Defender	8,369,769	6,017,807	2,351,962	0	0	2,351,962
		DHA-Assistance Payments	(414,482)	34,174	(448,656)	0	0	(448,656)
		Medical Treatment Payments	1,077,222	1,374,536	(297,314)	0	0	(297,314)
		Data Processing-Shared Systems	271,236	145,629	125,607	0	0	125,607
		County/County Contribution	884,660	1,219,610	(334,950)	0	0	(334,950)
		Personal Services	242,470	0	242,470	0	0	242,470
		HSS Provider Payments	2,109,069	0	2,109,069	0	0	2,109,069
		Voter Registration and Elections	1,082,861	0	1,082,861	0	0	1,082,861
		Finance	103,973	0	103,973	0	0	103,973
		Child Support Services	(492,467)	0	(492,467)	0	0	(492,467)
		001A Fund Balance Adjustment	13,639,745	11,836,943	1,802,802	0	0	1,802,802
		Subtotal-Non-Departmental Carryover	13,639,745	11,836,943	(1,802,802)	0	0	1,802,802
		TOTAL GENERAL FUND CARRYOVER	23,357,266	28,515,189	(5,157,923)	(4,053,870)	139,623	(964,440)

ATTACHMENT 1-A

INTRODUCTION RECOMMENDED FISCAL YEAR 2008-09 FINAL BUDGET LETTERS

County of Sacramento

Fund Balance Analysis 2007-08

Page 1 of 2

BU	Department	2007-08 Final Carryover										
		Adtl Budget 2007-08	Expenditures 2007-08	Encumbrances	Under/ (Over)	Adtl Budget 2007-08	Revenues	Over/ (Under)	Budget Unit Savings	Department Savings	General Fund Savings	Restricted Savings
3620000	Assessor	1,270,691	15,482,857	47,085	1,730,566	7,986,914	8,123,356	1,367,208	1,867,208	0	0	
4070000	Board of Supervisors	4,458,280	68,453,788	136,438	6,701,507	25,011,976	23,463,120	332,840	332,840	0	0	
5900000	Director Attorney	17,080,307	351,452,230	58,277	2,537,822	174,455,920	167,133,627	988,986	988,986	0	0	
7400000	Sheriff	41,608,280	40,906,081	3,983,050	2,174,061	20,305,584	20,391,025	(85,441)	(85,441)	0	0	
7410000	Criminal Justice Health	488,279,240	475,186,306	504,641	197,598	228,970,244	219,917,865	(88,952)	(88,952)	0	0	
	Subtotal - ELECTED OFFICIALS				6,963,021			(6,178,559)	(2,215,539)	(2,215,539)	0	
4210000	Civil Service Commission	364,957	341,084	0	23,873	24,731	13,889	13,031	13,031	0	0	
4660000	Human Rights/Housing	161,100	161,100	0	0	0	0	0	0	0		
4690000	County Counsel	6,659,592	5,521,747	682,023	455,612	2,883,025	3,212,900	329,885	785,672	0	0	
5710000	Data Processing Shared Systems	18,204,774	16,331,180	197,578	1,730,016	10,220	1,748,322	1,748,286	689,064	0	0	
5730000	County Executive Cabinet	1,901,185	1,738,026	42,386	122,111	1,873,461	1,798,382	(1,989)	(1,989)	0	0	
5750000	County Executive	2,898,927	1,490,176	106,175	198,210	654,620	701,647	47,027	223,284	0	0	
5920000	LAFCO	2,233,823	1,228,833	0	0	0	0	0	573,369	0	0	
5970000	Emergency Operations	1,116,890	1,019,395	3,014	94,481	0	0	0	94,481	0	0	
7080000	Emergency Operations	5,421,601	5,349,592	10,246	1,034,997	5,799,622	4,298,891	(1,500,711)	(486,714)	0	0	
	Subtotal - GENERAL GOVERNMENT	57,591,271	52,487,806	981,563	4,151,902	11,226,469	10,043,003	(1,183,466)	(2,968,436)	1,077,222	0	
2820000	Veteran's Facility	20,000	16,380	0	3,620	0	2	3,622	3,622	0	0	
3210000	Ag Comm-Sealer of Wits & Measures	4,694,581	4,206,576	83	487,922	2,831,167	2,738,912	(92,255)	395,667	0	0	
3260000	Wildlife Services	104,985	99,606	0	5,379	56,076	55,196	(880)	4,999	0	0	
3310000	Cooperative Extension	900,620	400,520	0	7,092	46,712	47,162	(450)	7,542	0	0	
4410000	Voter Registration/Elections	17,004,490	10,102,162	78,182	6,824,146	9,882,809	4,917,732	(4,665,077)	2,159,069	2,109,069	0	
4522000	Law Library	788,855	781,234	0	7,621	180,486	180,288	(198)	7,433	0	0	
4610000	Coroner	6,789,188	6,526,844	22,753	239,591	1,067,985	938,548	(128,437)	1,101,154	0	0	
5020000	County Funded Court Prog.	17,234,186	16,101,822	9,519	1,122,845	45,000	35,531	(1,137,66)	1,113,376	271,296	0	
5040000	County Contrib. To Court Ops.	25,695,588	25,156,495	9,329	529,093	0	18	529,111	257,815	0	0	
5050000	Court Pk City Svcs	28,906,568	24,714,460	9,329	2,182,779	32,446,889	30,314,217	(2,132,672)	50,107	0	0	
5510000	Conflict Criminal Defender	11,714,914	11,631,667	54,347	88,900	399,744	500,886	101,142	190,042	0	0	
5520000	Dispute Resolution	418,689	408,689	0	10,000	423,426	414,021	(9,405)	595	0	0	
5660000	Grand Jury	259,343	259,343	0	10	0	156,722	156,722	156,722	0	0	
5810000	Child Support Svcs	34,187,194	33,280,118	0	907,076	34,063,902	33,260,799	(803,103)	1,033,973	0	0	
6700000	Probation	128,597,432	121,058,847	4,487,588	3,050,977	54,890,748	53,333,663	(1,557,085)	1,493,912	0	0	
6750000	Care In Homes and Institutions	3,129,246	2,505,497	12,398	611,351	12,523	12,059	(464)	610,887	0	0	
6910000	Public Defender	27,288,300	26,422,080	151,226	714,984	829,088	916,072	87,004	800,367	1,631	0	
7200000	Health and Human Services	507,814,876	451,328,522	739,166	55,747,186	460,867,685	406,134,207	(54,733,478)	1,013,708	0	0	
7230000	Juvenile Medical Services	11,595,609	11,392,098	1,727	201,794	6,460,818	6,307,354	(153,464)	48,320	0	0	
8100000	Human Assist-Admin	273,901,668	264,460,993	206,402	9,234,273	236,252,862	229,868,448	(6,384,414)	2,849,859	0	0	
	Subtotal - COUNTYWIDE SERVICES	1,098,603,334	1,010,853,953	5,772,721	81,976,660	840,457,900	770,131,847	(70,326,053)	11,650,597	2,485,969	0	
3220000	Animal Care & Regulation	5,939,124	5,428,073	51,720	459,331	1,882,723	1,757,200	(125,523)	233,808	0	0	
4650000	Paratransit	66,600	66,600	0	281,310	4,187,240	4,444,333	257,093	538,433	0	0	
5690000	Environmental Review	4,316,718	4,020,768	14,610	491,895	5,532,694	4,825,256	(707,438)	491,895	0	0	
5750000	Neighborhood Svcs	2,127,487	1,419,412	21,610	665,050	0	0	0	(42,388)	0	0	
6400000	Regional Parks	12,206,013	11,460,502	80,461	1,956,756	8,021,183	8,021,183	(377,942)	(377,942)	0	0	
6610000	Planning	15,544,541	14,204,831	1,382,954	3,854,371	22,053,539	19,047,973	(3,010,566)	843,805	0	0	
	Subtotal - MUNICIPAL SERVICES	42,200,483	36,600,186	1,745,926	3,854,371	22,053,539	19,047,973	(3,010,566)	843,805	0	0	
	SUBTOTAL-DEPARTMENTS	1,717,315,044	1,599,756,748	13,246,152	104,312,144	1,142,604,143	1,053,530,235	(89,073,908)	15,238,223	9,717,511	5,520,712	

INTRODUCTION RECOMMENDED FISCAL YEAR 2008-09 FINAL BUDGET LETTERS

County of Sacramento

Fund Balance Analysis 2007-08

BU	Department	2007-08		2007-08		2007-08		2007-08 Final Carryover				
		Adj. Budget 2007-08 Appropriation	Expenditures 2007-08	Encumbrances	Under/ (Over) Appropriations	Adj. Budget 2007-08 Revenues	Revenues 2007-08	Over/ (Under) Est. Revenues	Budget Unit Savings	Department Savings	General Fund Savings	Restricted Savings
5110000	Financing-Transf/Reimb	4,598,792	4,598,792	0	0	0	0	23,304	0	0	0	0
7250000	HSS Provider Payments	65,615,155	65,395,989	0	219,166	0	50,820,442	(414,482)	242,470	0	242,470	0
7270000	Health-Medical Treatment Prnt	48,877,851	48,882,630	15,162	59	20,526,762	20,112,221	(21,222,077)	(414,482)	0	(414,482)	0
8700000	Human Assist-Aid Payment	390,234,420	390,642,574	0	29,591,846	347,652,271	326,430,194	(21,222,077)	8,369,769	0	8,369,769	0
5980000	Contingency	0	0	0	0	0	0	0	0	0	0	0
5770000	Non-Departmental Cstis/GF	9,193,654	5,807,544	241,511	3,144,599	510,000	1,177,734	(392,266)	2,752,337	0	2,752,337	0
5700000	Non-Departmental Rev/GF	(5,131,097)	(6,084,145)	34,448	918,600	563,932,962	560,575,788	(3,257,174)	(2,338,574)	0	(2,338,574)	0
5700000	Reserve Increases	12,010,001	12,010,001	0	0	0	74,039,727	(492,487)	0	0	0	0
5700000	Reserve Cancellations	0	0	0	0	23,577,516	23,577,516	0	0	0	0	0
5700000	Fund Balance-Enc.(Adj)/Reserve Rel	0	0	0	0	74,532,227	74,039,727	(492,487)	0	0	(492,487)	0
5700000	Fund Balance-Enc.(Adj)/Reserve Rel	0	0	0	0	18,580,801	18,580,801	0	0	0	0	0
	SUBTOTAL-GENERAL FINANCING	525,398,776	491,233,385	291,121	33,874,270	1,100,109,677	1,074,354,423	(25,755,241)	8,119,033	0	8,119,033	0
	GRAND TOTAL	2,242,713,820	2,090,990,133	13,537,273	138,186,414	2,242,713,820	2,127,894,658	(114,829,149)	23,357,256	9,717,511	13,639,745	0

**INTRODUCTION RECOMMENDED FISCAL YEAR 2008-09 FINAL BUDGET
LETTERS**

ATTACHMENT II

INCREASED NET COST ADJUSTMENTS

(Amounts Expressed In Millions)

BUDGET UNIT/ DEPARTMENT	DESCRIPTION	NET AMOUNT
5020000 Court/Non-Trail Court Funding	Increase in net appropriations for Traffic Court	0.05
5110000 Financing-Transfers /Reimbursements	Additional funding transfer from the Transient Occupancy Tax fund to offset unfunded cost of Economic Development activities identified at Proposed Budget	0.08
7400000 Sheriff	Increased appropriation transferred from Probation for Sienna Vista Program	0.12
	Net increase in cost from changes in grant funding and carryover adjustments	0.10
General Fund - Reserves	Increased in Teeter Reserve requirements	3.30
	Increase in TRANS Reserve requirements	0.72
	Various small changes in appropriations and revenue in numerous departments.	0.71
	TOTAL	\$5.08

DECREASED NET COST FACTORS

(Amounts Expressed In Millions)

BUDGET UNIT/ DEPARTMENT	DESCRIPTION	NET AMOUNT
5700000 Non-Departmental Revenues	One-time reduction in debt service payments for General Fund departments	\$0.72
	Net improvement in the Teeter Plan collections used to support additional reserve requirement	3.45
	Miscellaneous other cost reductions	0.11
	Net reclassification of Office of Communication and Information Technology (OCIT) retained earnings from revenue to reimbursements.	0.21
5800000 District Attorney	Reduction in Traffic Court costs resulting from additional city reimbursements and decrease in extra help expenses	0.19
6700000 Probation	Reduction in costs for Sienna Vista Program	0.12
7200000 Health & Human Services	Reduction in costs associated with Health Insurance Portability and Accountability Act (HIPAA) program	0.06
8100000 Department of Human Assistance	Reduction in net cost for Community Services programs	0.22
	TOTAL	\$5.08

INTRODUCTION RECOMMENDED FISCAL YEAR 2008-09 FINAL BUDGET LETTERS

Transient Occupancy Tax 2008/09 Final Budget Hearing Adjustments

ATTACHMENT III

	Final Adopted 2007-08	Proposed 2008/09	FYE Adjustments	Adjusted 2008/09
Revenue				
Fund Balance	\$ 628,695	\$ -	\$ 807,913	\$ 807,913
Tax Collections	6,900,000	6,300,000		6,300,000
Interest Income	40,000	35,000		35,000
Pass Throughs				
Raley Field Bond Financing	2,388,696	2,388,696		2,388,696
Sacramento Regional Arts Facilities	528,577	528,577		528,577
City of Sacramento - Cultural Arts Awards	350,000	350,000		350,000
Total Revenue	\$ 10,835,968	\$ 9,602,273	\$ 807,913	\$ 10,410,186
Expenditures				
Mandatory Allocation				
Sacramento Theatre Company/Music Circus	\$ 66,000	\$ 66,000		\$ 66,000
Pass Throughs				
Raley Field Bond Financing	\$ 2,388,696	\$ 2,388,696		\$ 2,388,696
Sacramento Regional Arts Facilities	528,577	528,577		528,577
City of Sacramento - Cultural Arts Awards	350,000	350,000		350,000
Total Pass Throughs & Bond Financing	\$ 3,333,273	\$ 3,333,273	\$ -	\$ 3,333,273
Discretionary Expenditures				
Administrative Costs				
Economic Development Administration	\$ 40,000	\$ 75,000		\$ 75,000
Dept. of Finance - Hotel Audits	10,560	11,400		11,400
Dept. of Finance - Contract Audits	10,560	11,400		11,400
Dept. of Finance - Revenue Estimates/Monitoring	25,000	25,000		25,000
Subtotal Discretionary Expenditures	\$ 86,120	\$ 122,800	\$ -	\$ 122,800
Other General Fund				
Board of Supervisors - Neighborhood Programs	\$ 250,000	\$ 270,726	\$ 13,000	\$ 283,726
Re-appropriation of BOS Neighborhood Funds	235,343	0	338,794	338,794
Transfer to General Fund	3,832,200	3,891,779	77,038	3,968,817
Subtotal Other General Fund	\$ 4,317,543	\$ 4,162,505	\$ 428,832	\$ 4,591,337
Sports, Tourism, Arts, Quality of Life				
Sacramento Tree Foundation	\$ 70,200	\$ 55,200		\$ 55,200
California Youth Soccer Association (Cherry Isl)	45,000	35,000		35,000
Sacramento Convention and Visitor's Bureau	704,975	404,975		404,975
Sacramento Sports Commission	214,750	214,750		214,750
Sacramento Sports Commission Event Support		50,000		50,000
American River Parkway Foundation	54,000	43,000		43,000
Archives & Museum Collection Center	200,000	200,000		200,000
Sacramento Museum of History, Science & Tech	277,022	218,022		218,022
Subtotal Sports, Tourism, Arts, Quality of Life	\$ 1,565,947	\$ 1,220,947	\$ -	\$ 1,220,947
Sacramento Metropolitan Arts Commission				
Operations	\$ 265,610	\$ 250,610		\$ 250,610
Cultural Arts Awards	350,003	350,003		350,003
Re-appropriation of Cultural Arts Awards			392,081	392,081
Neighborhood Arts/Arts in Schools Programs	99,121	99,121		99,121
Regranting/Arts Stabilization	158,740	33,740		33,740
Subtotal Sacramento Metropolitan Arts Commission	\$ 873,474	\$ 733,474	\$ 392,081	\$ 1,125,555
Reserves and Contingencies				
Raley Field Reserve Build-up	150,000	0		0
Reserves and Contingencies	\$ 150,000	\$ -	\$ -	\$ -
Final Budget Projects 08/09				
Bus License Fee Reduction Qualifying for Veterans (Note 2: District 4)	\$ -	\$ 13,000	\$ (13,000)	\$ -
Health Education-Immunization or Dental (Note 3: District 5)		16,274		16,274
Rancho Murieta (Note 2: District 5)	50,000			0
Discovery Museum	210,000			0
Roberts Family	50,000			0
Alan Osbourne/Olympic Sculpture	10,000			0
Jim Hopp/McClellan Museum	90,000			0
St. John's Shelter	80,000			0
McFarland Ranch	15,000			0
Total Final Budget Additions	\$ 505,000	\$ 29,274	\$ (13,000)	\$ 16,274
Total Allocation	\$ 10,831,357	\$ 9,602,273	\$ 807,913	\$ 10,410,186
Unallocated Funds	\$ 4,611	\$ -	\$ -	\$ (0)
Total Expenditures	\$ 10,835,968	\$ 9,602,273	\$ 807,913	\$ 10,410,186

Note 1: District 5 used 07-08 Board Allocation of Neighborhood Funds for Rancho Murieta

Note 2: District 4 08-09 Board Allocation of Neighborhood Funds for General Business License Fee reduction for Qualifying Veterans

Note 3: District 5 used 08-09 Board Allocation of Neighborhood Funds for Health education-Immunization Assistance or Dental Education

INTRODUCTION RECOMMENDED FISCAL YEAR 2008-09 FINAL BUDGET LETTERS

MSA GOVERNMENTAL/ENTERPRISE FUNDS FINANCING CHANGES

Fund Center	Description	Fund Balance	Reserve Release	Available Financing		Total Financing	Financing Requirements		Total
				Financing Sources	Financing		Financing Uses	Provision for Reserves	
1182880	Florin Road Capital Project	427,899	0	2,500	430,399	430,399	0	430,399	
	Changes Since May Hearings	17,779	0	0	17,779	17,779	0	17,779	
1182881	Fulton Avenue Capital Project	57,557	0	1,500	59,057	59,057	0	59,057	
	Changes Since May Hearings	-15,139	0	0	-15,139	-15,139	0	-15,139	
1300000	Laguna Stonelake CFD - Bond	111,466	0	132,500	243,966	243,966	0	243,966	
	Changes Since May Hearings	1,959	0	0	1,959	1,959	0	1,959	
1310000	Park Meadows CFD - Bond	190,293	0	63,366	253,659	253,659	0	253,659	
	Changes Since May Hearings	-166	0	3,299	3,133	3,133	0	3,133	
1320001	Mather Landscape Maintenance	540,300	0	150,207	690,507	690,507	0	690,507	
	Changes Since May Hearings	48,259	0	0	48,259	48,259	0	48,259	
1360000	Mather PFFP	3,061,074	0	525,000	3,586,074	3,586,074	0	3,586,074	
	Changes Since May Hearings	61,822	0	0	61,822	61,822	0	61,822	
1370000	Gold River Station #7 Landscape CFD	38,774	0	33,000	71,774	71,774	0	71,774	
	Changes Since May Hearings	5,828	0	0	5,828	5,828	0	5,828	
1390000	Metro Air Park CFD	45,785,798	0	1,094,884	46,880,682	46,880,682	0	46,880,682	
	Changes Since May Hearings	-627,965	0	-7,982,750	-8,610,715	-8,610,715	0	-8,610,715	
1400000	McClellan CFD	2,135,397	0	140,000	2,275,397	2,275,397	0	2,275,397	
	Changes Since May Hearings	16,063	0	0	16,063	16,063	0	16,063	
1410000	Sacramento County Land Maintenance CFD	254,718	0	221,500	476,218	284,218	192,000	476,218	
	Changes Since May Hearings	12,232	0	20,000	32,232	-159,768	192,000	32,232	
1420000	Metro Air Park Service Tax	786,065	0	527,503	1,313,568	1,313,568	0	1,313,568	
	Changes Since May Hearings	25,166	0	-241,326	-216,160	-216,160	0	-216,160	
1430000	North Vineyard Station Specific Plan	1,744,523	0	334,000	2,078,523	2,078,523	0	2,078,523	
	Changes Since May Hearings	-11,319	0	0	-11,319	-11,319	0	-11,319	
1440000	North Vineyard Station Specific Plan CFD	1,363,130	0	89,000	1,452,130	1,452,130	0	1,452,130	
	Changes Since May Hearings	-2,631,124	0	0	-2,631,124	-2,631,124	0	-2,631,124	
2140000	Transportation Sales Tax	-11,255,401	0	109,468,135	98,212,734	98,212,734	0	98,212,734	
	Changes Since May Hearings	24,768,963	0	2,469,348	27,238,311	27,238,311	0	27,238,311	
2150000	Building Inspection Division	155,762	1,678,909	15,046,966	16,881,657	14,855,256	2,026,401	16,881,657	
	Changes Since May Hearings	-742,755	1,678,909	332,973	1,269,127	-99,789	1,368,916	1,269,127	
2200000	Refuse Enterprise Operations	6,630,018	8,672,621	73,092,305	88,394,944	79,567,170	8,827,774	88,394,944	
	Changes Since May Hearings	1,953,785	-104,437	7,185,200	9,034,548	3,398,823	5,635,725	9,034,548	
2250000	Refuse Enterprise Capital Outlay	9,067,747	0	480,000	9,547,747	8,097,130	1,450,617	9,547,747	
	Changes Since May Hearings	5,652,963	-5,611,346	0	41,617	-1,409,000	1,450,617	41,617	
2300000	Construction Management Inspection Division	0	0	38,270,604	38,270,604	38,270,604	0	38,270,604	
	Changes Since May Hearings	0	0	34,723	34,723	34,723	0	34,723	
2450000	Development & Surveyor Services	0	0	12,930,512	12,930,512	12,930,512	0	12,930,512	
	Changes Since May Hearings	0	0	170,570	170,570	170,570	0	170,570	
2470000	Cosolidated Utility Billing Services	0	0	11,057,783	11,057,783	11,057,783	0	11,057,783	
	Changes Since May Hearings	0	0	10,367	10,367	10,367	0	10,367	
2510000	Water Resources Division	0	0	29,619,813	29,619,813	29,619,813	0	29,619,813	
	Changes Since May Hearings	0	0	1,398,033	1,398,033	1,398,033	0	1,398,033	
2530000	County Service Area No. 1	1,450,723	0	2,654,230	4,104,953	3,319,635	785,318	4,104,953	
	Zone 1 - Sacramento Unincorporated	35,838	0	290,000	325,838	325,838	0	325,838	
	Zone 2 - City of Rancho Cordova								

INTRODUCTION RECOMMENDED FISCAL YEAR 2008-09 FINAL BUDGET LETTERS

MSA GOVERNMENTAL/ENTERPRISE FUNDS FINANCING CHANGES

Fund Center	Description	Available Financing		Financing Requirements		Total	
		Fund Balance	Reserve Release	Financing Sources	Financing Uses		Provision for Reserves
	Zone 3 - City of Citrus Heights	0	0	0	0	0	0
	Zone 4 - City of Elk Grove	0	0	0	0	0	0
	Changes Since May Hearings (B.U. level)	973,232	0	76,460	264,374	785,318	1,049,692
2600000	Transportation Division	0	0	56,433,670	56,433,670	0	56,433,670
	Changes Since May Hearings	0	0	102,317	102,317	0	102,317
2700000	Administrative Services Division	0	0	14,199,823	14,199,823	0	14,199,823
	Changes Since May Hearings	0	0	35,932	35,932	0	35,932
2814000	Beach Stone Lake Flood Mitigation	17,174	30,831	54,265	102,270	0	102,270
	Changes Since May Hearings	-19,980	19,987	0	7	0	7
2815000	Sacramento City Water Agency Zone 11A	-3,615,092	7,059,603	4,023,587	7,468,098	0	7,468,098
	Changes Since May Hearings	-2,164,693	2,162,469	2,336	112	112	112
2816000	Sacramento City Water Agency Zone 11B	514,938	0	903,342	1,418,280	1,213,072	205,208
	Changes Since May Water Agency Zone 11C	178,467	0	0	-9	178,476	178,467
2817000	Sacramento City Water Agency Zone 11C	279,798	275,915	616,729	1,172,442	1,172,442	0
	Changes Since May Hearings	-422,002	275,915	0	-146,087	26	-146,087
2818000	No Vineyard Station Right of Way	51,644	0	543,344	594,988	0	594,988
	Changes Since May Hearings	-10,771	0	2,427	-8,344	0	-8,344
2840000	Vineyard PFFP	6,731,958	0	471,000	7,202,958	7,202,958	0
	Changes Since May Hearings	-375	0	0	-375	0	-375
2857000	County Service Area No. 10	303,687	0	78,721	382,408	349,754	32,654
	Changes Since May Hearings	-100,841	0	37,348	-63,493	-96,147	32,654
2870000	Laguna Creek Ranch/Elliott Ranch	3,419,706	0	505,000	3,924,706	3,668,401	256,305
	Changes Since May Hearings	-40,347	0	15,551	-24,796	-24,796	0
2900000	Road Fund	-4,760,995	0	74,554,991	69,793,996	69,793,996	0
	Changes Since May Hearings	467,047	0	5,602,460	6,069,507	6,069,507	0
2910000	Roadway Developer Fees						
	District 1	705,818	669,999	0	1,375,817	403,394	972,423
	District 2	448,328	1,090,000	0	1,538,328	78,240	1,460,088
	District 3	8,166,255	2,330,000	0	10,496,255	7,552,541	2,943,714
	District 4	2,106,126	1,650,000	0	3,756,126	3,756,126	0
	District 7	93,133	150,000	0	243,133	190,216	52,917
	Fee District Administration	135,864	148,797	0	284,661	284,661	0
	Changes Since May Hearings (B.U. level)	294,998	0	-1,071,212	-776,214	-1,863,960	1,087,746
2930000	Rural Transit Program	-315,804	0	9,219,274	8,903,470	8,903,470	0
	Changes Since May Hearings	-144,369	0	-2,673,599	-2,817,968	-2,817,968	0
3005000	Water Quality CSD 1 Division	0	0	30,513,116	30,513,116	0	30,513,116
	Changes Since May Hearings	0	0	-529,251	-529,251	0	-529,251
3028000	Water Quality SRCSD Division	0	0	47,465,332	47,465,332	0	47,465,332
	Changes Since May Hearings	0	0	-1,476,449	-1,476,449	0	-1,476,449
3044000	Sacramento City Water Agency Zone 13	801,575	959,964	2,349,363	4,110,902	4,110,902	0
	Changes Since May Hearings	-78,707	78,714	41	48	0	48
3050000	Sacramento City Water Agency Zone 40	0	0	28,616,138	28,616,138	145,743,544	0
	Changes Since May Hearings	0	0	-9,461,530	-9,461,530	-60,601,845	0
3055000	SCWA Zone 41 General Operations	0	0	26,355,271	26,355,271	36,806,827	0
	Changes Since May Hearings	0	0	-7,139,411	-7,139,411	705,525	0

INTRODUCTION RECOMMENDED FISCAL YEAR 2008-09 FINAL BUDGET LETTERS

MSA GOVERNMENTAL/ENTERPRISE FUNDS FINANCING CHANGES

Fund Center	Description	Fund Balance	Reserve Release	Available Financing		Total Financing	Financing Requirements		
				Financing Sources	Financing		Financing Uses	Provision for Reserves	Total Appropriation
3057000	SCWA Zone 50	0	0	10,100	10,100	2,145,167	0	2,145,167	
	Changes Since May Hearings	0	0	0	0	13	0	13	
3066000	Sacramento Cnty Water Agency Zone 12	607,242	0	7,487,747	8,094,989	8,094,989	0	8,094,989	
	Changes Since May Hearings	0	0	432,047	432,047	0	0	432,047	
3070000	Antelope Public Facilities Financing Plan	0	0	3,914,194	3,914,194	432,047	0	432,047	
	Changes Since May Hearings	0	0	1,222,325	1,222,325	1,222,325	0	1,222,325	
3081000	Bradshaw Rd/US 50 Corridor Intleg Finan Dist	0	0	308,958	308,958	308,958	0	308,958	
	Changes Since May Hearings	0	0	12,231	12,231	12,231	0	12,231	
3090000	Laguna Community Facilities District	0	0	5,434,329	5,434,329	5,434,329	0	5,434,329	
	Changes Since May Hearings	0	0	-166,868	-166,868	-166,868	0	-166,868	
3171010	SCWA No. Vineyard Well Protection	-13,116	50,129	170,300	207,313	207,313	0	207,313	
	Changes Since May Hearings	-19,616	19,679	0	63	63	0	63	
3220001	Stormwater Utility	7,578,974	28,388,973	24,947,596	60,915,543	32,128,388	28,787,155	60,915,543	
	Changes Since May Hearings	289,115	-3,247,116	4,737	-2,953,264	-2,027,894	-925,370	-2,953,264	
3300000	Landscape Maintenance Districts	44,501	843,489	0	887,990	877,288	10,702	887,990	
	Zone 4	0	0	0	0	0	0	0	
	Zone 5	-52,028	0	79,923	27,895	17,193	10,702	27,895	
	Changes Since May Hearings (B.U. level)								

RECOMMENDED FISCAL YEAR 2008-09 FINAL BUDGET LETTERS

Special Districts Budget Summaries

	Appropriations			Revenues			Fund Balance		
	Adopted 2007-08	Recom'd 2008-09	Variance	Adopted 2007-08	Recom'd 2008-09	Variance	Adopted 2007-08	Recom'd 2008-09	Variance
CSAS									
4B (Wilson-4)	113,755	85,705	-28,050	6,840	10,921	4,081	106,915	74,784	-32,131
4C (Delta)	123,314	107,898	-15,416	76,108	96,918	20,810	47,205	10,980	-36,225
4D (Herald)	25,959	16,551	-9,408	9,820	13,178	3,358	13,639	3,372	-10,267
Park Districts									
Mission Oak	4,104,117	3,844,215	-259,902	2,929,971	2,900,056	-29,915	1,049,334	944,159	-105,175
Carmichael	5,783,277	4,904,197	-879,080	4,747,963	4,726,197	-21,766	1,035,314	177,421	-857,893
Sunrise	14,498,619	16,502,510	2,003,891	12,599,320	14,030,081	1,430,761	1,899,299	2,472,429	573,130
Other Districts									
Del Norte Oaks Park	6,229	4,762	-1,467	5,323	3,272	-2,051	906	1,490	584
Mission Oaks	1,988,631	2,259,257	270,626	3,304,506	893,418	-2,411,088	-1,315,875	1,365,839	2,681,714
Sunrise Maintenance	9,764,520	3,012,308	-6,752,212	7,499,790	5,12,000	-6,987,790	2,264,730	2,500,308	235,578
Natomas Fire	2,748,622	2,087,841	-660,781	2,748,622	2,087,841	-660,781	1,167,822	507,041	-660,781

CSA 4B— This district's fund balance is \$32,131 less than last year's due to less spending variance from budget.

CSA 4C— This district's fund balance is \$36,225 less than last year's due to less spending variance from budget.

CSA 4D— This district's fund balance is \$10,267 less than last year's due to less spending variance from budget.

Mission Oaks Park District — This district's fund balance is \$105,175 less than last year's due to less spending variance from budget.

Carmichael Park District — This district's fund balance is \$857,893 less than last year's due to the encumbrance of funds for the multi-year Patriots Park construction project.

Sunrise Park District — This district's fund balance is \$573,130 higher than last year's due to higher revenues. District appropriations are \$2,003,891 higher than last year's primarily due to operation of the Antelope Community Park Joint Use Area and other construction projects.

Del Norte Oaks Park Maintenance District — This district's fund balance is \$584 higher than last year's due to higher revenues from a reserve release in 2007-08.

Mission Oaks Maintenance and Improvement District — This district's fund balance is \$2,681,714 higher than last year's due to reduced expenditures and additional revenue from grant reimbursements, assessment revenue and wireless communication facility leases, and a reserve provision that was not posted in 2007-08. District revenues are \$52,411,088 less than last year's due to the timing of construction project reimbursement.

Sunrise Maintenance and Improvement District (Antelope) — This district's appropriations are \$6,752,212 less than last year's due to the completion of a major construction project at Antelope Community Park.

Natomas Fire District — This district's fund balance is \$507,041 lower than last year's resulting from current year account reconciliation against city-county agreement and the resulting implementation of bringing county budget in-line with agreement terms and conditions.

ATTACHMENT V

**BOARD LETTER ATTACHMENT VI
FINAL BUDGET SCHEDULES
INTENTIONALLY EXCLUDED
FROM THIS SECTION**